

2024 Sustainability Report





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About this Report

This report describes AGI's sustainability commitments, policies, key actions, and performance on material Environmental, Social, and Governance (ESG) topics for 2024 across our global operations. It also sets out goals and priorities for 2025 and beyond.

This report has been prepared in accordance with the Sustainability Accounting Standards Board (SASB) standards for the Industrial Machinery and Goods sector. It also includes an update to our Task Force on Climate-Related Financial Disclosures (TCFD) Report, which has been prepared in alignment with the recommended disclosures of the TCFD. Both the SASB Index and TCFD report can be found as supplemental materials in the appendix. We report our greenhouse gas emissions data in alignment with the Greenhouse Gas (GHG) Protocol. We continue to monitor and prepare for evolving global sustainability disclosure frameworks and standards that may impact AGI.

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

Unless otherwise noted, all financial figures presented are in Canadian dollars. The data contained in this report has not been assured or verified by a third party.

This document contains certain forward-looking information – that is, information related to future, not past, events and circumstances. Please refer to the Advisories section in the appendix of this report for applicable disclosures. This document contains certain abbreviations and defined terms. Please refer to the Glossary of Terms section at the end of this document for applicable definitions.

Any questions about this report can be directed to sustainability@aggrowth.com.



Letter to our Stakeholders

We are pleased to share our 2024 Sustainability Report, showcasing our progress and ongoing dedication to sustainability. The report highlights our policies, actions, and performance across four key focus areas: People Well-being, Responsible Conduct, Sustainable Manufacturing, and Compelling Solutions. These areas have guided our sustainability efforts over the past few years, and we are proud of the progress made in 2024.

As a global leader in advancing solutions to strengthen the food supply chain, AGI is uniquely positioned to address the ongoing challenges faced by this critical sector. Key challenges faced by the agriculture sector in 2024 included extreme weather events that affected crop yields and production, lower crop prices, higher production costs, and supply chain disruptions. Proper food infrastructure to condition, store, and move grain from farms to commercial collection points, and then around the world, is essential to reducing food loss, strengthening global food security, and ensuring resilience in the global food supply chain. Despite these ongoing challenges, as we reflect on 2024, we are most energized by the commitment of AGI employees to drive forward our purpose of eliminating food loss and hunger, and the work of our customers in feeding a growing global population.

Our focus on sustainability helps us deliver on this purpose and our corporate strategic priorities, including profitable organic growth, operational excellence, and balance sheet discipline. We know that AGI's sustainability

efforts matter to our stakeholders, notably our employees, customers, shareholders, suppliers, and the broader global community. We regularly engage with our stakeholders on these topics to ensure that we are prioritizing initiatives that are aligned with both our corporate priorities and the needs of our stakeholders.

Safety continues to be our top priority and at the core of our operations, uniting our manufacturing facilities, office locations, and job sites worldwide. Our goal is that every AGI employee returns home at the end of each day in the same condition in which they arrived at work. We are encouraged by the outstanding improvements made in our total recordable incident rate and lost time injury rates in 2024, an achievement that we do not take lightly. We will continue to drive a safety-first culture at AGI through ongoing training and awareness building, standardizing safety procedures, and identifying and fixing hazards and near misses.

We are committed to fostering a strong culture and environment where all employees are not only safe but engaged and can reach their highest potential. Last year, we focused on addressing the feedback from AGI's inaugural 2023 Employee Engagement Survey by implementing initiatives such as formalizing talent processes, expanding training and development opportunities, and improving communication. We set an ambitious goal of training 100% of our workforce on unconscious bias, and we are proud to have achieved a 96% completion rate globally.

Integrity is one of our guiding principles, and we aim to empower our workforce with the policies and resources to ensure ethical business practices. In 2024, we achieved 100% compliance with AGI's annual employee ethics confirmation.

Last year, we disclosed a target to reduce our Scope 1 and 2 greenhouse gas (GHG) emissions by 25% by 2030. Since then, we have continued to develop plans to reduce our GHG emissions from our manufacturing facilities worldwide. Our initial focus is on optimizing energy efficiency in our operations. Last year, several facilities identified areas of opportunity and implemented initiatives to reduce their energy consumption. We continue to make selected investments in modernizing our manufacturing equipment and technology, expecting these efforts, along with the consolidation of several manufacturing facilities, to positively impact the GHG emissions intensity of our operations. Last year, for the first time, we disclosed the key climate-related risks and opportunities most relevant to our business and we continue to monitor and take a proactive approach to managing these risks and opportunities. An updated TCFD report can be found later in this document.

We are encouraged by the outstanding contributions of our global employee base in advancing sustainability-related initiatives at AGI. From our functional and regional leaders championing sustainability efforts, to our plant-level contributors reporting on ESG-related metrics, and our Environmental

Health and Safety Coordinators driving a strong safety culture, to our people leaders fostering an inclusive workplace, every team member plays a crucial role in our sustainability success. We recognize that this is an ongoing effort, and we remain committed to continuously improving our sustainability performance and providing transparent disclosures.

By driving our sustainability efforts forward, we help strengthen the long-term resilience of our business. We look forward to continuing to collaborate with our key stakeholders on our sustainability priorities and broader corporate commitments.

We anticipate even more success in 2025 and beyond.



Paul Householder
President & CEO



Mike Frank
Chair of the Governance &
Sustainability Committee of the Board

AGI Overview

Our products

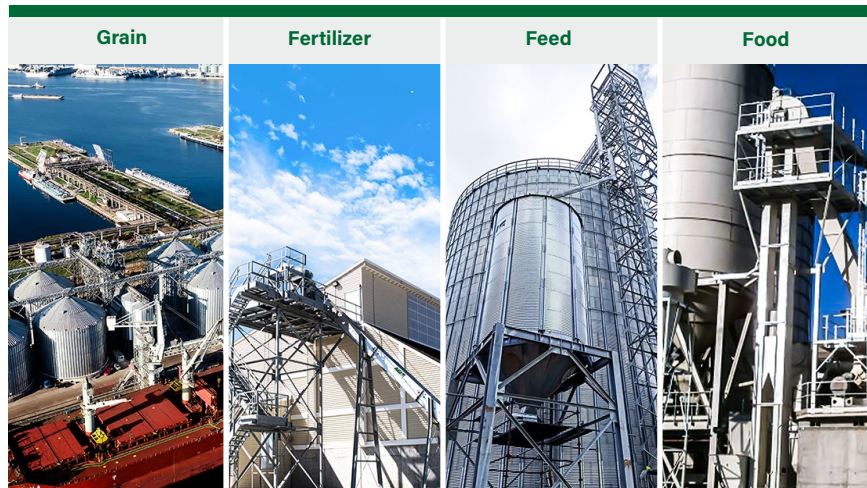
AGI is a corporation existing under the Canada Business Corporations Act and our common shares are traded on the Toronto Stock Exchange (AFN.TO). AGI is a leading provider of equipment and solutions for efficient food storage, transport, and processing globally.

With around 4,100 employees and manufacturing facilities worldwide, AGI products, equipment, and technologies serve to store, blend, mix, convey, condition, process, and protect agriculture inputs and crops that flow around the world.

AGI designs and manufactures equipment and solutions that are uniquely positioned within the agriculture sector, serving as the connection between the farm and the plate through two types of application:

Commercial applications

Large-scale storage and movement of grain through the food supply chain, inclusive of equipment for food processing, rice milling, feed, and fertilizer.



Our purpose



To eliminate food loss and hunger

Our mission



To advance storage, handling, and processing solutions that strengthen and secure the global food supply chain

2024 figures

~ C\$1.4B

in annual revenue (12-month period ending December 31, 2024)

4,139

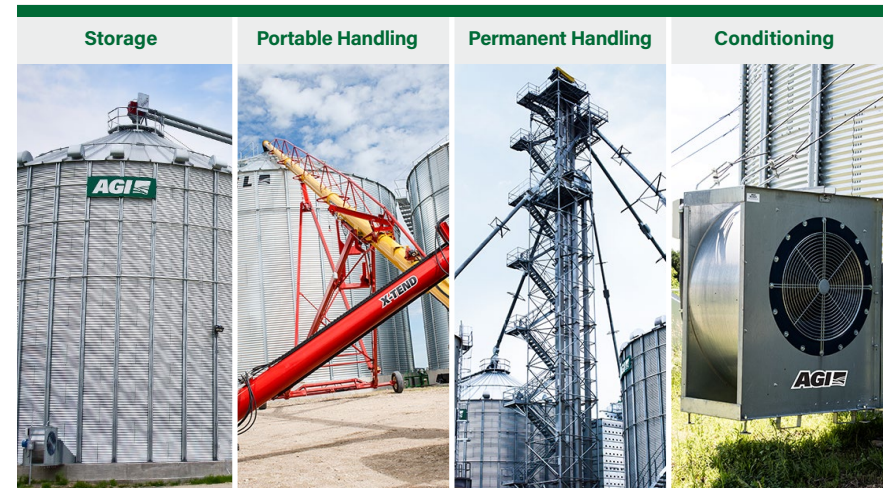
employees
(as of December 31, 2024)

27¹

manufacturing facilities
in six countries and sales
representatives worldwide
(as of December 31, 2024)

Farm applications

Move, store, condition, and monitor grain after harvest.

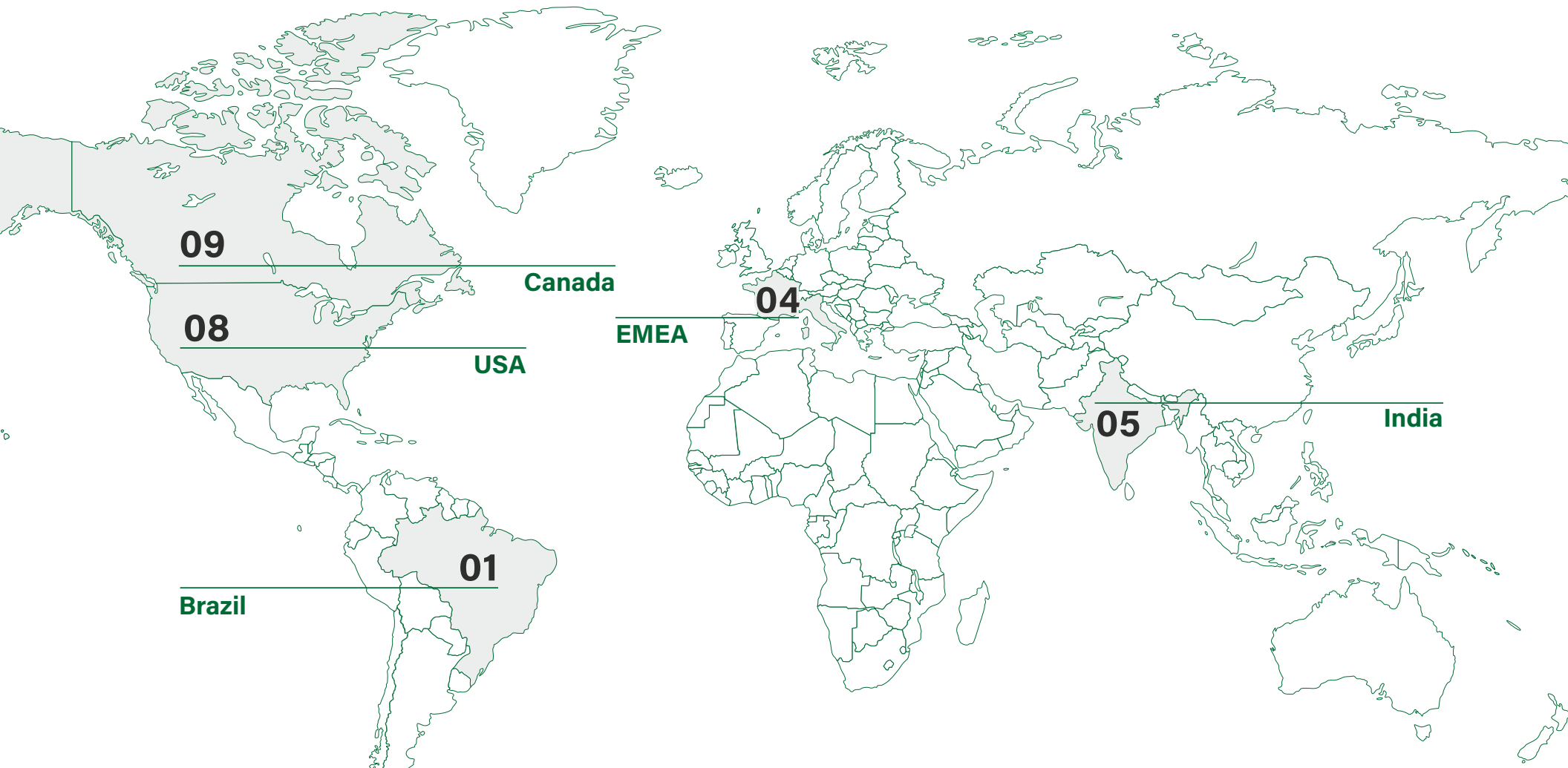


¹ Note: Represents the number of manufacturing facilities as of December 31, 2024.

Our global presence

With a global manufacturing footprint and supporting sales activity worldwide, AGI is in a unique position to lead in protecting the food supply required by a growing global population.

The figures below represent the number of manufacturing facilities per region (as of December 31, 2024):



As of May 2025, AGI has a total of 26 manufacturing facilities, as AGI's facility in Olds, Alberta ceased operations in February 2025.

Approach to Sustainability

Our contribution to global food security

At AGI, we play a critical role in the food value chain by providing essential equipment for storing, handling, and processing agricultural products. Since our establishment in 1996, we have supported global food security and the United Nations' Goal #2: Zero Hunger. This goal focuses on ending hunger, achieving food security and improved nutrition, and promoting sustainable agriculture. The United Nations Food and Agriculture Organization has estimated that up to 14% of the world's grain output is lost after harvest due to pests, moisture, and other avoidable losses. Proper food infrastructure is crucial for protecting crops and maintaining their optimal condition.

AGI's strategic focus on high-growth emerging markets positions us to make a significant impact on global food security. In many emerging markets, a significant infrastructure gap exists due to increasing crop volumes, historical underinvestment, and rudimentary storage and processing practices. Consequently, output losses can be higher in these regions. Governments in these regions are investing in modern storage facilities to ensure a stable food supply and mitigate risks associated with climate change. In 2024, in regions such as Brazil, Europe, Middle East and Africa (EMEA), and Asia-Pacific, we saw robust demand for grain handling and storage solutions to address capacity deficits, with potential for continued momentum in 2025.

Here are some ways AGI is contributing to food security globally across our different platforms:

Grain

Our on-farm grain storage bins are one example. We estimate that these newly installed bins protect approximately 6.5 million tonnes of incremental grain from spoilage annually, which is enough to feed 30 million people.² AGI bins last for the long term, extending their significant impact on global food security. AGI also provides grain storage infrastructure for large commercial applications, aligned with national government priorities on food security.

- India and Asia Pacific:** The Indian government is aiming to triple wheat storage capacity over the next three years to 9 million tonnes, up from the current 2.8 million tonnes. This includes constructing thousands of warehouses and storage bins throughout the country.³ AGI can play a key role in supporting India to modernize their grain and rice storage practices by manufacturing and selling grain storage bins. AGI also supplies rice millers with storage equipment, allowing them to be more self-sufficient. The Asia-Pacific region is also seeing a surge in agricultural production as a result of advanced farming techniques and new high-yield crop varieties. AGI is supporting this growth by providing modern grain storage solutions. The case study on the next page shows how AGI is modernizing grain storage capacity in Bangladesh.
- Latin America and Brazil:** AGI is involved in projects to improve grain storage and handling infrastructure, which helps reduce post-harvest losses and improve food security in the region.



These examples highlight AGI's commitment to enhancing global food security through innovative, reliable solutions and strategic partnerships.

² Management estimates of grain based on 2022 sales data. World Food Programme estimates that 1 metric ton of food is sufficient for approximately 1,660 people for one day.

³ World Grain <https://www.world-grain.com/articles/20875-india-plans-to-triple-wheat-storage-capacity>

Modernizing rice storage and improving food security in Bangladesh

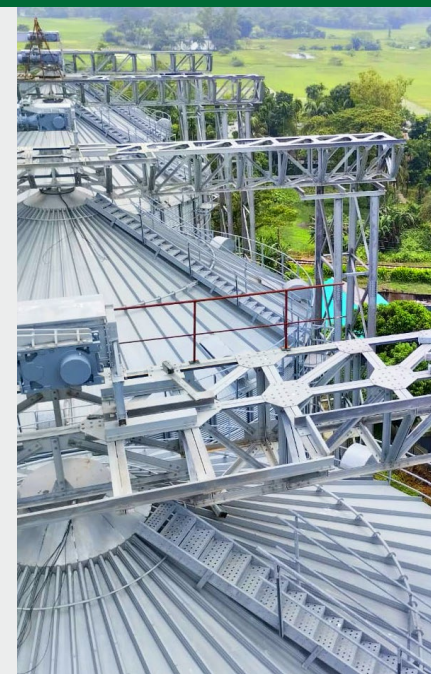
AGI is enhancing grain storage capacity and contributing to food security outcomes in Bangladesh as a key partner in the Bangladesh Modern Food Storage Facilities Project. The project is funded by the World Bank and managed by the Government of Bangladesh's Directorate General of Food. The objective of the project is to improve the efficiency and effectiveness of grain storage management at the country level, ultimately to meet the country's food security needs.

AGI was engaged in the project to supply critical country-level grain storage equipment, including 15 flat-bottom silos, providing a total storage capacity of 48,000 MT. Prior to the supply of AGI equipment, rice was being stored in jute bags, a temporary storage method that can lead to significant losses and the storage capacity was only 300 MT. Intended outcomes of this project include improved storage capacity for grain in Bangladesh, reduced post-harvest losses from rice, and improved food security. Improved storage capacity is also critical to support the long-term climate resilience of the food and agriculture sector in Bangladesh, as the country is highly vulnerable to climate impacts.

This project is just one example of the many ways in which AGI is working with customers and partners around the world to contribute to global food security outcomes.

"Switching to AGI storage and handling equipment has transformed our ability to store more [grain] and protect [it] better. This has reduced losses, significantly improved our operational efficiency, and enhanced food security."

— Mr. Shibly Saddik, Government of Bangladesh Directorate General of Food



Fertilizer

- **Africa:** AGI is supporting customers and farmers by providing the necessary equipment to blend and store fertilizers. Fertilizers play a key role in ensuring soil health and increasing crop yields, which are essential for meeting agricultural growth targets and ensuring long-term food security.



Feed and Food

- **North America:** AGI supplies large-scale equipment to the North American food processing sector, including large food manufacturers. This helps to advance access to food on grocery shelves around the world, meeting the food security needs of a growing global population.
- **India:** We provide comprehensive rice milling equipment that improves productivity and quality for rice millers, enhancing food security.
- **Global:** The increasing demand for food leads to a higher demand for feed around the world. AGI provides equipment that supports the production of animal feed, which is crucial for maintaining the global food supply chain from farm to table.

Sustainability timeline












Continued momentum on sustainability since 2020:

| 2020 | 2021 | 2022 | 2023 | 2024 |
|--|--|--|--|---|
| Conducted a materiality assessment and developed our sustainability strategy | Released and implemented our 2020 Sustainability Roadmap describing the results of our materiality assessment and proposed actions | Published our 2021 Sustainability Accounting Standards Board (SASB) Index Formalized and published several ESG policies | Released our 2022 Sustainability Progress Update | Released AGI's inaugural 2023 Sustainability Report including a TCFD-aligned disclosure and a target to reduce our GHG emissions intensity Released AGI's first Modern Slavery Statement |

Our sustainability framework

Our corporate sustainability strategy, developed in 2020, was informed through a materiality assessment which supported the identification of the following ESG topics relevant to our business and our stakeholders. The ESG topics are centred around four key focus areas: People Well-being, Responsible Conduct, Sustainable Manufacturing, and Compelling Solutions. These four focus areas allow us to meaningfully contribute to relevant United Nations Sustainable Development Goals (SDGs) where we can have the greatest impact.

Our approach to managing these material ESG topics includes a focus on strategy, governance, risk management, and performance. We have developed a detailed three-year plan to guide our sustainability function and efforts, and each of these material ESG topics are supported by detailed action plans. In addition, we look for opportunities to embed these focus areas and material topics into strategic decision-making.

| Purpose | To eliminate food loss and hunger | | | |  |
|-------------------|---|---|---|--|---|
| Mission | To advance storage, handling, and processing solutions that strengthen and secure the global food supply chain | | | | |
| Focus Area | People Well-Being | Sustainable Manufacturing | Responsible Conduct | Compelling Solutions | |
| Goal | Improving the lives of employees, partners, and communities through a safe and inclusive culture | Minimizing the use of natural resources through continuous measurement and improvement at our global facilities | Enabling our people and partners with policies, processes, and trainings on governance best practices | Innovating to offer solutions for customers and end-users addressing quality, safety, and environmental needs | |
| Related UN SDG(s) |    |   |   |    | |
| Material Topics | <ol style="list-style-type: none"> Worker Health & Safety Community Engagement Inclusion | <ol style="list-style-type: none"> Energy Use & Management Water Efficiency & Recycling Scope 1 & 2 GHG Emissions | <ol style="list-style-type: none"> Governance, Organizational Effectiveness & Employee Skilling Ethical Conduct Legal Risk Management Supply Chain Continuity Responsible Supply Chain Data Governance & Security | <ol style="list-style-type: none"> Product/Service Excellence Technology & Innovation Product User Safety | |

AGI Sustainability Framework

ESG Governance

Appropriate oversight and clearly defined roles and responsibilities for ESG topics is critical to the successful implementation of AGI's sustainability strategy.

Board governance

Our Board of Directors and Leadership Team have oversight of our sustainability strategy including key sustainability-related risks and opportunities. Members of our Board have the required skills and experience in sustainability and climate-related matters to provide the appropriate level of oversight and strategic direction to the organization.

The Governance & Sustainability (G&S) Committee of the Board serves as the lead for sustainability and ESG oversight, including reviewing and approving sustainability-related policies, performance, and disclosures.

Other Board committees provide support on certain topics where they have specific skills, expertise, and experience that can help steward progress on those areas most effectively.

Management governance

Our President & CEO has ultimate accountability for the overall ESG program including providing oversight of ESG risks and strategic direction on material topics. Sustainability-related updates are provided to our President & CEO, as well as our CFO and Executive Vice-President of Global Operations, on a regular basis. The following sustainability-related metrics are part of the CEO Scorecard: Total Recordable Incident Rate, Lost Time Incident Rate, and Employee Engagement Score. In 2024, we developed a leadership-level sustainability dashboard to support the monitoring of key sustainability-related metrics.

Our Global Sustainability function is responsible for the development and implementation of AGI's sustainability strategy and plan, data collection, performance, reporting, and communications across all global facilities. This function is driven by our Senior Manager of Global Sustainability and led by our Senior Vice-President of Corporate Development, reporting up to our President & CEO and CFO.

Contributing functions

Regional and functional leaders (including Legal, Human Resources, Supply Chain, Safety, Information Technology, Finance, Global Product Management, and Manufacturing) drive sustainability-related initiatives across the business. We also establish cross-functional sustainability working groups, such as our executive-level Task Force on Climate-Related Financial Disclosures Working Group, to help advance priority sustainability initiatives.

We continue to embed sustainability across all levels of the organization. At the facility level, designated individuals (including Plant Managers, Operations Managers, Environmental, Health and Safety Coordinators, and Controllers) are responsible for collecting and reporting on ESG data and, where applicable, setting facility-level targets and carrying out initiatives. Our Internal Audit function facilitates the company's Enterprise Risk Management (ERM) program and performs internal assurance reviews that integrate ESG. Other functions such as Marketing and IT support sustainability-related initiatives related to data collection, reporting, and communications.



Alignment to the UN SDGs

The Sustainable Development Goals (SDGs) are a set of 17 global goals established by the United Nations (UN) in 2015 as part of the 2030 Agenda for Sustainable Development. These goals aim to address global challenges including hunger, poverty, climate change, peace, and justice. Progress on these goals is measured annually.

Corporations play a crucial role in addressing the SDGs by driving innovation, providing essential infrastructure, and stimulating growth and building skills. For AGI, addressing the SDGs not only helps to meet increasing consumer and regulatory demands, but also fosters long-term resilience in the agricultural industry.

By integrating SDG principles into how we operate, we are contributing to a more sustainable and equitable food system, benefiting the global community as a whole.

Each of our focus areas is aligned with one or more of the United Nations' 17 SDGs, ensuring that our efforts are targeted and impactful.

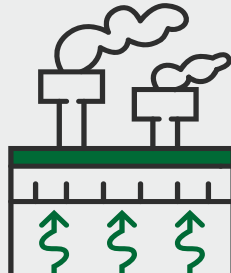


2024 Highlights

Established and disclosed a target to reduce our Scope 1 and 2 GHG emissions (tCO₂e) intensity by

25%

by 2030 (compared to a 2021 baseline year)



49%

decrease in our **Total Recordable Incident Rate** and 46% decrease in our **Lost Time Injury Rate** compared to 2023

30

participants completed the **One AGI Emerging Talent Program**, designed to nurture and accelerate the next generation of leaders



96%

completion rate on **unconscious bias training** delivered to all levels of our global workforce



25

grain professionals trained through AGI's Grain Training Academy over the course of five training sessions, focusing on grain storage and handling fundamentals, best practices, and innovation

16%

reduction in Scope 1 and 2 GHG emissions intensity relative to our 2021 baseline, on track to meet our 2030 target

Issued our first Task Force on Climate-Related Financial Disclosures (TCFD)-aligned report

identifying the climate-related risks and opportunities most important to AGI



Issued our first Modern Slavery Statement

aligned with Canada's Bill S-211, assessing the risks of modern slavery in our operations and supply chains and improved our [Code of Business Ethics](#) to explicitly address human rights considerations



100%

compliance achieved on AGI's annual employee ethics confirmation



People Well-Being



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



Sustainable Manufacturing



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



Responsible Conduct



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



Compelling Solutions



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

People Well-Being

We prioritize the following People Well-Being topics:

- Worker Health & Safety
- Inclusion
- Community Engagement

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

At AGI, one of our top priorities is finding ways to improve the lives of our employees, partners, and the communities we engage with.

Safety comes first at AGI; we prioritize the health and safety of our employees and want them to return home in the same condition they arrived at work. We are committed to building a culture that enables everyone to belong, and we strive to meaningfully contribute to causes aligned with our purpose in the global communities in which we operate.



Contributes to the following UN SDGs



Worker Health & Safety

"At AGI, safety is not just a priority; it's one of our guiding principles and a key element of our One AGI culture. This means that safety is at the core of everything we do, influencing our decisions, actions, and behaviour."

— Paul Householder, President & CEO

Goal

To foster a workplace that is free of injuries, serious incidents, and chronic illnesses.

At AGI, we want every employee to return home at the end of each day in the exact condition in which they arrived at work. We are committed to creating a work environment and driving behaviours that ensure the safety of every individual employed at or visiting one of our global locations.

Our approach

We continue to strive to be an industry leader in occupational safety and health. Safety is a foundational principle and belief that unites our manufacturing facilities, office locations, and job sites across the world. We are committed to a culture of constant awareness and proactive safety measures.

The highest responsibility for worker health and safety at AGI sits with the Leadership Team and Board. The Governance & Sustainability Committee of the Board reviews and monitors health and safety systems including, but not limited to, health and safety policies, procedures, audit procedures, risks, and performance.

Our [Health and Safety Policy](#), which sets out our commitment to providing safe and healthy working conditions and to preventing injury and ill-health, is endorsed by our President & CEO and applies to AGI workers, contractors, customers, suppliers, and visitors. As an indicator of the importance of safety at AGI, health and safety performance is considered part of executive performance. The following safety metrics (and associated targets) are included in the CEO balanced scorecard: Total Recordable Incident Rate and Lost Time Incident Rate.

Our Vice-President of Manufacturing and Supply Chain holds responsibility for our corporate safety function and implementing our AGI Safety Management System (ASMS) across all AGI facilities worldwide. This involves leading the development of safety procedures, maintaining compliance with laws, monitoring safety performance, and implementing training, continuous improvement, and best practices.

At the facility level, Plant Managers are engaged in setting targets related to the number of hazards, near misses, and property damage reports. This metric, along with the completion of corrective actions, is tied to Plant Managers' short-term compensation. Health and Safety Coordinators and Shop Floor Supervisors at each location are engaged in delivering the ASMS including identifying hazards, implementing best practices, and reporting incidents. Bi-weekly meetings are held between the corporate safety function and health and safety representatives for each facility. Frontline employees are actively engaged in daily safety reporting and actions.

Outside of designated safety roles, responsibility for safety resides with every individual across AGI. Safety continues to be the first agenda topic at all internal Town Halls, Board updates and Leadership Team meetings. At the facility level, daily safety stand-up meetings are held to share learnings and best practices and continuously improve our safety performance.

The ASMS is a comprehensive system aligned with global best practices that supports the management of safety risks and proactively monitors and guides safety performance across AGI manufacturing locations globally. The ASMS is comprised of AGI's Health and Safety Policy, safety standards, and operating procedures for AGI employees and contractors, health and safety training, hazard identification, incident investigation, and reporting, and supports decision-making. The ASMS promotes continuous improvement over and above local, state, provincial, and federal rules and regulations. Safety performance is measured by both lagging and leading indicators and is tracked through our global AGI Safety Reporting Application. This application provides complete visibility into safety-related incidents across AGI locations and allows for the ongoing monitoring, analysis of trends (e.g., by incident type, location, body part), and documentation of learnings. The application has helped strengthen our approach to safety and identify areas to prioritize, further embedding safety into the fabric of our culture at AGI. As part of AGI's Safety Management System, safety audits are conducted on an ongoing basis to assess compliance to established safety processes. AGI aims to conduct safety audits at large facilities every two years, and smaller facilities every three years.

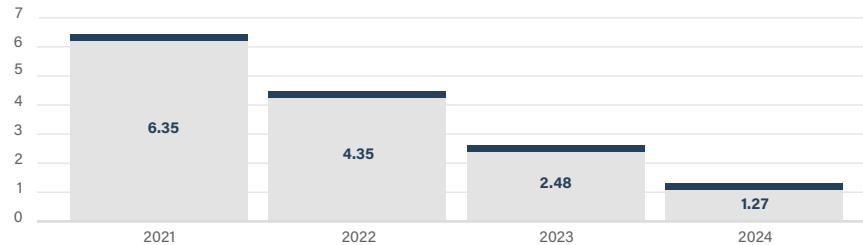


Our actions in 2024

Policy development and process standardization

In 2024, we developed and rolled out a Zero Harm Incident Policy. The policy sets out the progressive discipline for engaging in unsafe work which results in injury. Engaging in negligent or deliberately unsafe acts is not tolerated by AGI. In addition, leveraging external guidance, we are standardizing AGI's accident investigation process in North America through the development of a single incident reporting form and intend to roll this process out globally. We also implemented a standardized comprehensive field risk assessment form to ensure employees work in a safe environment within AGI facilities or at customer sites. All employees are required to complete the form prior to work being performed onsite or on a site visit.

Total Recordable Incident Rate (TRIR)

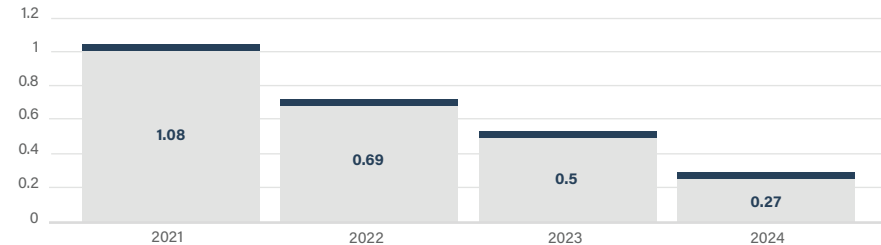


Total Recordable Incident Rate is calculated in line with OSHA standards using the formula: $(\text{Number of OSHA recordable incidents in the reporting period}) \times 200,000 / (\text{total number of hours worked in the reporting period})$; this metric references the number of recordable incidents per 100 full-time employees annually.

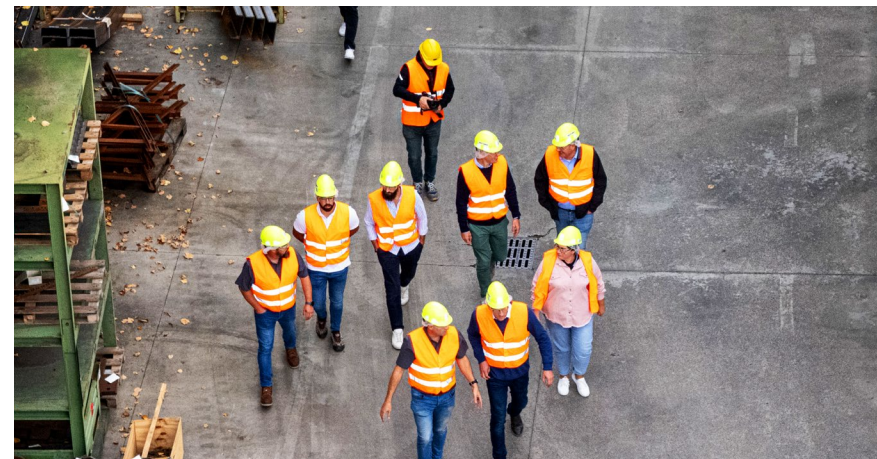
Safety performance

In 2024, we continued to strengthen our safety-first culture and observed significant achievements in our safety performance and against targets established for Total Recordable Incident Rate and Lost Time Incident Rate. Across all global sites, we saw a reduction in our Total Recordable Incident Rate by 49% and in our Lost Time Incident Rate by 46%, compared to 2023. AGI experienced no fatalities in 2024.

Lost Time Incident (LTI) Rate



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





Permanent and contracted full-time employees are included in TRIR and LTI Rate calculations. This includes incidents that may occur onsite at one of AGI's facilities, in the field, on the road, or at a customer/third-party location.

In addition to lagging safety indicators, we increased our focus on behaviour-based safety and saw strong momentum on our leading safety indicators, including tracking Global Total Near Miss Reports, Number of Hazards Reported and Number of Hazard Fixes. We monitor these indicators daily and continue to implement and emphasize the importance of prioritizing near misses, identifying hazards, and fixing any unsafe conditions or acts as they are identified. With near miss reporting programs established across all AGI facilities over the course of 2023, in 2024, all AGI facilities reported on near misses, hazards and hazard fixes in the AGI safety application. On a global scale, we have successfully increased hazard, near miss, and property damage reporting in 2024 by 98% year over year, indicating that our employees are fully supporting our safety-first culture and feel comfortable reporting and fixing safety issues.

At the individual facility level, most facilities surpassed their targets for reporting and taking corrective actions regarding hazards, near misses, and property damage. Throughout the year, we also focused on improving our incident reporting practices across our global facilities and making enhancements to our Safety Reporting Application to standardize reporting.

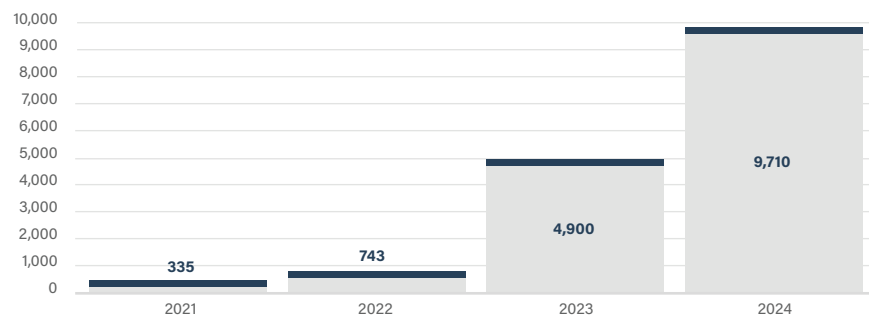
Last year, we celebrated safety milestones across individual sites through our Safety Standout Awards, with 16 manufacturing facilities celebrating no Lost Time Incidents in over a year. Notably, we held a celebration at our Saskatoon site for achieving 10 years since a Lost Time Incident. Our Nobleford, Joplin and Marshall sites also achieved more than three years without a Lost Time Incident.

We also continued our annual safety awards to recognize exceptional safety performance at the facility and individual level. In 2024, there were three safety award categories: Progress in Safety, Safety at a Customer Site or Project, and Outstanding Performance.

Our Brazil location received the award for Progress in Safety, for continuing to model a safety-first culture improving their leading safety performance over the last 12 months (ended December 31, 2024). Significant improvements were observed in incident reporting for safer conditions and acts, hazards, near misses, and property damage, which increased 130% in 2024. The facility also achieved 12 months without a Lost Time Incident.

An individual on the Foods team at our Joplin location, which carries out services, received the Award for Safety at a Customer Site or Project, for maintaining the highest safety standards. Finally, the award for Outstanding Performance was awarded to two individuals, at AGI Swift Current in Saskatchewan and AGI Winnipeg (St. Boniface) in Manitoba, for having demonstrated exemplary performance related to safety.

Total Near Miss, Hazard Fixes, and Property Damage Reports





Safety audits and certifications

In 2024, internal safety audits were completed at the following facilities: Sioux Falls, Newton, Oak Bluff, and St. Boniface. External audits were completed by AGI's US insurance provider at our Sioux Falls and Omaha facilities. Additionally, AGI facilities continue to obtain or maintain external safety certifications or recognitions applicable in their jurisdictions. Examples include:

- In Manitoba, AGI's Oak Bluff, Rosenort, St. Boniface, and Winnipeg corporate office locations are [SAFE Work Certified](#), supported by SAFE Work Manitoba. This is Manitoba's health and safety certification for manufacturers.
- In Alberta, our AGI Nobleford facility has received a [Certificate of Recognition from the Government of Alberta](#). This certification demonstrates that the health and safety management system has been evaluated by a certified auditor and meets established provincial safety standards.
- In Saskatchewan, AGI Saskatoon and Swift Current have received a [Certificate of Recognition from the Safety Association of Saskatchewan Manufacturers](#). This certifies the facilities' compliance with provincial health and safety legislative requirements and relevant standards.
- Two of our manufacturing facilities in India are certified by [TÜV SÜD South Asia](#), attesting that their health and safety management system has been implemented in accordance with ISO 45001:2018.

Training and awareness

We rolled out mandatory web-based safety training for employees across AGI locations globally. Training topics are aligned with AGI's safe operating procedures and include Behavioural Safety, Hazard Identification and Risk Assessment, Machine Guarding, Department of Transportation Training for Drivers, and Preventing Slips, Trips, and Falls. For example, in North America in 2024, employees completed approximately 4,640 hours of safety training. Additionally, some North America locations conducted incremental site-specific training.

We also held our fourth consecutive annual Safety Week from April 22-26, 2024, to provide training, create awareness on safe work practices, and develop safety priorities for all AGI's facilities. The theme for 2024 was Safer Acts and Safer Conditions, focusing on preventing unsafe acts and promoting safer working conditions. The week included a global training video which showcased safety best practices and lessons learned from across our global manufacturing locations. AGI locations also implemented site-specific initiatives. For example, in India, Safety Week was recognized through a safety pledge, a series of interactive safety competitions (e.g., safety quizzes), educational sessions including nutrition awareness and welding safety, and a recognition ceremony.

To emphasize the importance of continuous learning and improvement, bi-weekly health and safety meetings were held with Environmental Health and Safety (EHS) coordinators and Plant Managers at each facility. The purpose of these meetings is to review safety performance, provide updates on enterprise safety policies, training and processes, and to share lessons learned. These meetings encourage peer-to-peer learning and sharing of best practices. At the facility level, we prioritize safety initiatives and investments to improve working conditions. We are continuously updating standard operating procedures, personal protective equipment requirements, guarding, ergonomic initiatives, and safety best practice sharing.



Other safety programs and initiatives

Fleet safety

To advance AGI's Fleet and Department of Transportation (DOT) Management Safety Program, in 2024, we implemented a Fleet Management Program that aims to set out standardized fleet protocols and procedures including safety protocols. As part of this program, a comprehensive training program has been introduced to service team members covering important topics such as distracted driving, cell phones, road hazards, and more. Additionally, a structured framework of monthly safety topics has been developed to further enhance driver awareness and safety practices. Going forward, we intend to track the total number of training hours completed by AGI drivers.

Employee well-being

AGI employees in North America can access well-being and mental-health support through AGI's employee assistance program (EAP), administered by third-party service providers. Through these service providers, employees can also access toolkits and learning materials on different mental-health topics. AGI provides job accommodations to employees requiring support to more effectively perform their jobs. Some AGI facilities in North America, including Joplin and Nobleford, have also implemented daily stretching for production employees at the start of each shift to reduce the risk of injuries and relieve stress. AGI understands that employees occasionally need flexibility to manage life challenges and, as such, has a Work Location Policy that supports employees in addressing flexibility requests and provides personal time off and various leave programs including parental leave.

Next steps

In 2025, we will continue to drive hazard and near miss reporting and support plants in meeting established safety targets. We believe continuous identification and fixing of hazards, whether they are due to unsafe conditions or unsafe acts, will help us countermeasure, educate, and improve, thus minimizing the chances of an actual injury to any of our employees. In addition, we are placing a large emphasis on any near misses that could have resulted in severe injuries. We believe these are especially important to identify amongst the other reported near misses due to their potential high severity.

We continue to develop minimum safety standards and standardize safety processes. For example, we intend to develop a comprehensive return-to-work program, aligned with best practices and comprising standard documentation, and build awareness among employees, supervisors, and human resources (HR) teams on these processes and the importance of returning to work following a workplace incident. We also continue to standardize our accident investigation process globally. A number of facilities will be subjected to our internal safety audits in 2025. External audits are also expected at certain facilities in 2025.



Inclusion

Goal

To build an inclusive workforce that fosters a sense of belonging for all employees and enables us to meet our strategic priorities.

Our approach

At AGI, we see inclusion as an enabler to our success. AGI has a Board Policy which sets out our commitment to maintaining a Board composition in which at least 25% of Directors are women. The G&S Committee considers the composition of candidates when identifying and nominating candidates for election or re-election to the Board.

To advance AGI's efforts, a working group was formed to help drive the strategy and implementation of initiatives. The working group established the following statement to provide direction to these efforts across the organization: "Together, we continue to build a culture that enables everyone to belong."

We aim to provide training for our workforce on the importance of building an inclusive culture, such as recognizing unconscious bias, and to provide the tools for employees to reduce the impact of bias on decision-making.

At AGI, we are committed to a workplace environment where employees are treated with dignity, fairness, and respect, that provides equal employment opportunities and is free of discriminatory practices and harassment including on the basis of gender, race, national or ethnic origin, religion, age, sexual orientation, disability status, or any other dimension.

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



Our actions in 2024

Training

AGI's inaugural 2023 Employee Engagement Survey covered inclusion among other culture and engagement topics. The survey assessed AGI Leadership commitment to inclusion, the importance of a supportive culture, inclusivity in leadership communications, and whether employees feel comfortable being themselves on their teams. Feedback indicated a desire for more training, helping to inform our priorities for 2024 and beyond.

As a result, in 2024, we expanded our training efforts on unconscious bias. Building off training delivered in 2023 to Directors and Director equivalents, this involved rolling out unconscious bias training to all HR business partners, people managers, and then employees globally with a goal of having 100% of our people trained on the subject. This mandatory training was designed to help people managers and employees recognize how biases can influence their decisions and interactions with team members. The training was delivered through a comprehensive e-learning course combined with post-training learning materials and facilitated group reflection discussions. Overall, we achieved a 96% completion rate across our global locations. We continue to identify ways to embed the training into learning materials that can be shared with our global facilities and to develop a plan to ensure all new employees are trained on the subject. Additional training topics are also being explored.

In addition, we also prioritized the delivery of training on AGI's Harassment and Violence Prevention Policy including covering mechanisms to anonymously report any incidents. This training was delivered to our North American facilities in 2023 and embedded into a video that is shared with new employees. Throughout 2024, we initiated planning for the rollout of Harassment and Violence Prevention training in Brazil including translating the policy into Portuguese and reviewing the training material for relevance to the local context.

Next steps

In 2025 and beyond, we will continue to offer ongoing training on unconscious bias to new employees joining the organization and continue to embed the principles of the unconscious bias training through training materials and written communications in the form of visual posters to be placed across AGI facilities. We are developing a plan to offer additional training to employees across different topics and intend to roll out training on Harassment and Violence Prevention in regions outside of North America, starting with Brazil. We plan to measure the effectiveness of our training and other employee engagement efforts through future employee surveys and by implementing appropriate follow-up mechanisms. By improving our human resources information system (HRIS), we are standardizing ways to better understand the demographic breakdown of our workforce, in line with employment equity regulations in the jurisdictions where we operate. Finally, as part of the ongoing job evaluation process, we will be reviewing compensation to ensure equity.



Select members of AGI Leadership Team and Board in India



Community Engagement

Goal

To enrich the communities where we operate.

Our approach

AGI's community engagement efforts include corporate sponsorships, employee volunteerism, donations, charity drives, and fundraising. We seek to align our efforts with AGI's purpose, mission, and sustainability focus areas. In 2024, our activities were largely focused on:



Food security

Supporting local food banks to increase food access and improve food security.



Community well-being

Enhancing the health and well-being of our communities by supporting health research, emergency response, water and sanitation, and other efforts.



Sustainable agriculture and climate resilience

Supporting environmental sustainability and climate resilience, which is critical to long-term food security, by planting trees in India to improve environmental awareness, aiding flood victims in Brazil to improve resiliency, and through other environmental initiatives.



One AGI Food Drive



Supporting breast cancer research



AGI India World Environment Day



Our actions in 2024

In 2024, AGI teams across our global facilities supported various local causes and initiatives. Here are a few examples:



Global

Increasing global food security:

In December 2024, AGI organized a global food drive, where we collected and distributed non-perishable food items in support of local food banks. Over 10 different food banks were supported globally, helping to fight hunger.



Canada

Supporting breast cancer research:

AGI released a pink limited-edition Batco UCX³ U-Trough Belt Conveyor, raising a total of \$66,375 for the Canadian Cancer Society.



United States

Driving community health outcomes:

Employees at our Omaha facility participated in a blood drive in support of the American Red Cross.



Brazil

Improving the climate resilience of communities:

The AGI team in Brazil supported flood victims in Rio Grande do Sul by collecting approximately 9,000 kg of donations including clothing, food, drinking water, and other essential items in support of SOS Rio Grande do Sul, a government agency.



India

Providing access to clean drinking water:

The AGI India team donated water purifier systems to two government-led primary schools in Bangalore, providing clean drinking water to school children to enhance health outcomes and minimize water-related illness.



Increasing access to critical agricultural infrastructure:

AGI funded the establishment of food processing equipment at India's Central Food Technological Research Institute campus, for use by smallholder farmers, self-help groups (i.e., informal associations of individuals, primarily rural women) and actors from other agriculture and food processing sectors.

Next steps

We are developing an approach to concentrate our community engagement efforts on activities most aligned with AGI's purpose and mission.

Additional details on our annual community engagement efforts can be found on our website [here](#).



Sustainable Manufacturing

We prioritize the following sustainable manufacturing topics:

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

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

Our [Environmental Policy](#) sets out AGI's approach to environmental management including energy and water management. EHS coordinators at each location assist with the implementation of the policy at the site level. AGI's current focus is on measuring our resource consumption patterns for both energy and water at our facilities worldwide. This has enabled us to establish a baseline, develop targets, and identify initiatives to reduce our environmental footprint. In 2024, AGI was not subject to any penalties related to non-compliance with environmental laws and regulations.

In North America, we regularly conduct third-party-led risk assessments related to property insurance and business interruption. These audits may include assessments of environmental-related risks such as exposure to climate hazards or waste management practices for hazardous waste.



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



Contributes to the following UN SDGs

Energy Use & Management

Goal and target

To measure and improve energy intensity of our operations and evaluate the feasibility of alternative energy.

Energy intensity targets have been established at select individual facilities.

Our approach

AGI is committed to measuring and managing our energy consumption across our manufacturing and warehouse locations globally. We strive to continually improve our energy consumption.

Primary sources of energy consumed are natural gas for building heat (a requirement for our North American sites that experience colder climates in winter months), electricity to power equipment used in our manufacturing processes and used for lighting, and other fuels (gasoline, propane, diesel) used in various stages of the production process and in the transport of materials. Manufacturing processes that consume energy include metal fabrication, cutting, bending, roll forming, rolling, welding, painting, and high-tech processes like laser, punching, and robotics. AGI's energy consumption is influenced by internal and external factors such as organizational layout, equipment and processes, behaviours, climate and weather patterns, and the pace of technological progress.

Energy consumption is tracked at the facility level and reported monthly through AGI's internal ESG Data Collection Application. Reported data is reviewed and approved by a designated authority at each location and then reviewed by the Global Sustainability function. Facility managers play a role in identifying energy-efficiency initiatives for their locations through capital budgeting processes.

Waste management

Primary waste streams generated in AGI's manufacturing facilities include metal scrap (steel) and waste generated from the powder coating paint curing process. Wastewater is also produced in some powder coating processes. Other waste streams include paper and packaging, glass, and plastics.

Waste is managed at the facility level. AGI facilities have recycling programs in place and work with third-party service providers to collect, recycle, and dispose of waste, ensuring compliance with local, state, and federal regulations. For example, AGI's scrap steel is sold to local scrap dealers, and on occasion provided to local community colleges for welding practice. We are developing an approach to track and manage scrap, including steel scrap, across our global facilities. Wastewater that is produced in some of AGI's powder coat processes is treated in the city/ municipality sewage systems.

In 2024, we conducted an enterprise-wide waste management survey to understand sources of waste and disposal methods across our global facilities. The survey revealed areas of opportunity for AGI to reduce waste, to centralize the tracking of waste, and for more consistent guidance on waste management efforts. We are identifying opportunities to reduce waste across our manufacturing facilities, warehouses, and offices.



Our actions in 2024

Last year, we continued to analyze trends in energy consumption and build awareness on energy management best practices across various levels of the organization. We also started to identify and evaluate opportunities to reduce energy consumption from our operations and, in 2025, we expect to continue the implementation of these efforts.

Training and awareness

Our focus for 2024 was on building plant-level awareness on AGI's energy consumption and areas of opportunity. Energy management was a key topic presented and discussed with all global plant managers during a global plant manager forum. During the session, we discussed the importance of managing energy use, reviewed key trends in AGI's energy consumption including key metrics, expectations regarding plant manager involvement in managing energy consumption and costs. The training session also involved the sharing of best practices and lessons learned from across AGI facilities.

In addition, following this training session, we developed and rolled out an energy-management checklist across our global facilities. The purpose of the checklist was to equip AGI plant managers with ways to manage their energy consumption and help to identify areas for improvement globally. The checklist was informed by best practices.

Innovations in manufacturing

We made several investments in innovative manufacturing equipment and technology across our global facilities in 2024. Some of these types of equipment use less power or generate less material waste than other types of equipment, supporting the energy efficiency of our operations. For example, press brakes generate less material waste than other metal fabrication techniques. We anticipate seeing improvements in AGI's energy use for these processes and, ultimately, on AGI's greenhouse gas emissions.

Facility-level energy-efficiency improvements

In 2024, our focus was on identifying opportunities to reduce energy consumption and costs at our manufacturing facilities. This included working with the five facilities with the highest energy costs to identify energy-efficiency improvements for their facilities in the short, medium, and long term. We also focused on increasing awareness and understanding globally through sharing of best practices and lessons learned, including showcasing energy efficiency initiatives across plants and developing an energy-management checklist for all global facilities to complete.

Several AGI facilities continued to implement energy-efficiency initiatives, including investments in more energy-efficient equipment and technology such as implementing LED lighting or making HVAC system upgrades across North America and the use of solar power in Italy, and saw a reduction in total energy use. The next page has a few examples of these initiatives and their energy savings where available.



Spotlight on India

In India, two of our production facilities achieved their ISO 14001 certification in 2024, confirming that their environmental management system has been implemented in accordance with ISO 14001:2015. These certifications were issued by TÜV SÜD South Asia and are valid for three years, until 2027.

Recognizing World Environment Day

The AGI India team recognizes the United Nations World Environment Day annually. On June 5, 2024, the team observed the day by making a collective commitment to protect the environment by minimizing waste and reducing energy consumption. Employees also participated in a tree planting exercise, an activity aimed at improving environmental awareness and protecting the environment by reducing carbon emissions.



United States

Sioux Falls, South Dakota

In 2024, our Sioux Falls facility improved air and liquid leak (e.g., hydraulic fluid, fuel) loss detection and prevention. These improvements are expected to result in cost savings and reduce energy consumption. Additionally, last year, the facility installed a new dust collection system to improve air quality and provide energy savings. In 2024, energy consumption decreased by 20% relative to 2023. In prior years, the facility has implemented several energy-efficiency initiatives, including turning off air conditioning on weekends, and using automated building air controls, motion-sensing lights, and LED lighting throughout the facility. They continue to identify additional areas for energy savings, such as HVAC optimization.

Omaha, Nebraska

Our Omaha facility has implemented several energy-conservation practices including renovating its electrical room, improving air leak detection and prevention, shutting off equipment and lighting at the end of shifts, and replacing facility lighting with LEDs, efforts that will continue into 2025. In 2023, they completed an energy audit led by the University of Nebraska–Lincoln, which identified areas of opportunity. We will continue to monitor changes in annual energy consumption. In future years, the facility also plans to conduct an infrared scan of equipment and upgrade their HVAC system.

Clay Center, Kansas

In 2023, our Clay Center facility made investments in a new 100 horsepower air compressor. This air compressor was in use throughout 2024, which contributed to a decrease in energy consumption by 17% compared to 2023.

Canada

Winnipeg, Manitoba

Our Winnipeg production facility made investments in a new higher-efficiency air compressor, which is expected to reduce energy consumption compared to the previous one. Other energy-management efforts in place include conducting daily inspections for leaks and using an automated system to control air conditioning checks. In addition, in previous years, the facility upgraded to LED lighting.

Nobleford, Alberta

Our Nobleford Aeration facility in Alberta replaced their furnace and air compressor and sealed their front office windows. The Nobleford Petroleum facility purchased a new submerged arc welder, which is considered to be more energy efficient than the previous welding method. Both facilities in Nobleford also conduct annual third-party infrared scans of electrical equipment.

Corman Park, Saskatchewan

Our Corman Park facility in Saskatchewan installed new air make-up units on their roof. In addition, they sealed their roof with a roof coating. These upgrades have improved energy efficiency and save energy costs. In 2024, total energy consumption decreased by approximately 12% compared to 2023 values.

Rosenort, Manitoba

Our Rosenort facility in Manitoba installed new higher-efficiency 125 horsepower variable speed drive (VSD) air compressor and a new 100 horsepower VSD air compressor, both of which are expected to reduce energy consumption and costs compared to the previous items, in addition to lowering maintenance costs and improving operational efficiencies. The project included a new building for the installation of the equipment, which also incorporates heat recovery ventilation to direct waste heat out of the compressor room. In the winter, this heated air is directed inside to help offset space heating and, in the summer, it's discharged to the outside. This investment received support from Efficiency Manitoba to offset the initial capital cost of the compressor. In 2024, energy consumption at Rosenort decreased by 14% relative to 2023.



Global

Italy

Two of our facilities in Italy are utilizing solar energy. Learnings from this investment will help identify opportunities for AGI as we explore the potential use of renewable energy such as solar in other regions.

Brazil

In Brazil, all plant lighting is powered by LEDs. In addition, the facility has implemented several other energy-management practices. Examples include using start-up and shut-down procedures to power off equipment and implementing a preventative and corrective maintenance schedule for production and air conditioning equipment.



Energy use

In 2024, we observed a 6% decrease in total energy consumption (gigajoules or GJ) compared to 2023. At the same time, energy intensity (energy consumed per \$1,000 in revenue by year) in 2024 remained relatively consistent with energy intensity in 2023.

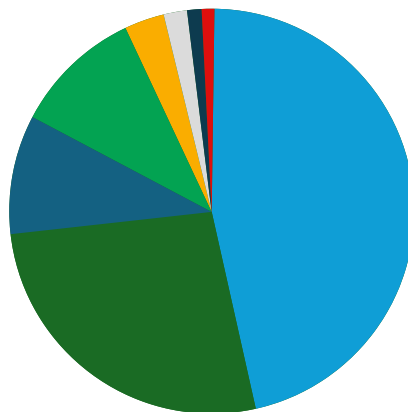
Consistent with prior years, primary energy sources in 2024 were natural gas and electricity. These primary energy sources are used for building heat, lighting, and to power equipment used in AGI's production and manufacturing processes, including metal fabrication, cutting, bending, roll forming, rolling, welding, painting, and high-tech processes such as laser, punching, and robotics.

Total energy consumption in 2024⁴:

462,835 GJ

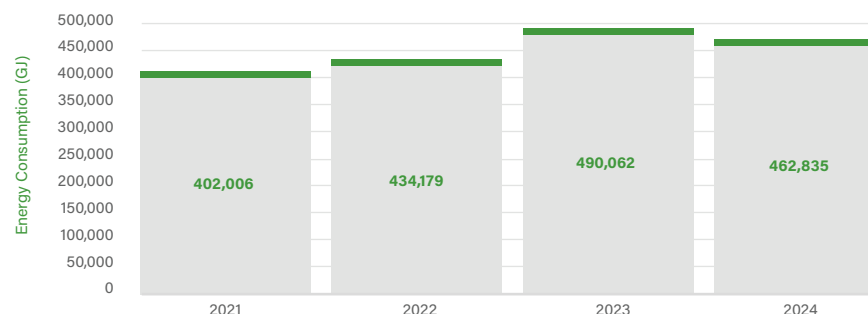
2024 Energy Use by Source (GJ)

| | |
|-------------------------|------------|
| Natural Gas | 216,165 GJ |
| Electricity | 124,345 GJ |
| Diesel | 48,206 GJ |
| Liquified Petroleum Gas | 41,640 GJ |
| Gasoline | 17,425 GJ |
| Propane | 10,223 GJ |
| On-site Solar | 2,217 GJ |
| Other Fuels | 2,615 GJ |

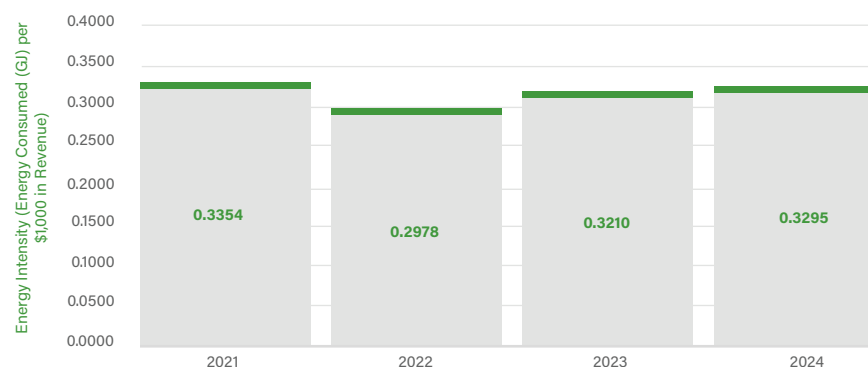


Internal and external factors influenced AGI's total energy consumption. These factors include, but are not limited to, production levels, sales, the number of production shifts and operating hours at the facility, seasonal weather changes, and energy management practices. In 2024, while increased production levels and revenue in some regions increased AGI's energy consumption at select facilities, some facilities in North America experienced a decrease in production levels, which contributed towards an overall decrease in energy consumption. In addition, the closure and consolidation of facilities in North America over the last couple of years kept energy intensity stable, compared to 2021 values.

Total Energy Consumption (GJ)



Annual Energy Intensity (Energy Consumed per \$1000 in Revenue by Year)



Next steps

In 2025, we will continue to identify, evaluate, and implement opportunities to reduce our energy consumption at each of our facilities and build awareness internally on energy efficiency. We will also continue to formalize our process to incorporate and track energy-related investments in capital budgets.

⁴ As part of our commitment to transparency, we have improved our measurement methodology for calculating total energy consumption. We have restated annual energy consumption and energy intensity figures for the calendar years 2021, 2022, and 2023. This restatement has resulted in an increase in energy consumption previously reported. 2023 energy consumption is approximately 3% higher compared to the amount previously reported. This adjustment ensures greater accuracy in our environmental performance reporting and aligns with our commitment to data integrity and comparability across reporting periods.



Scope 1 & 2 GHG Emissions

Goal and target

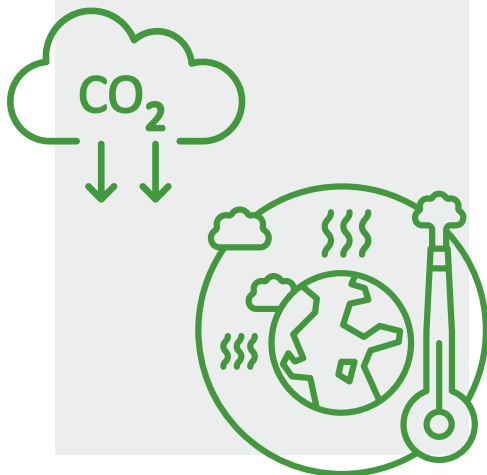
To manage greenhouse gas (GHG) emissions from our operations.

To reduce Scope 1 and 2 GHG emissions (tCO₂e) as a percentage of revenue by

25%

by 2030

compared to a 2021 baseline year.



Our approach

Our current focus is on measuring and managing direct (Scope 1) and indirect (Scope 2) greenhouse gas emissions from our global operations including AGI's manufacturing and warehouse locations.

We calculate and report on our greenhouse gas emissions in line with the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard. We use operational control as our consolidation approach to account for 100% of GHG emissions over which we have operational control within our selected organization boundaries. We use a location-based approach to report on Scope 2 emissions.

The reporting period covered in our annual emissions data is the calendar year, from January 1 to December 31st. AGI's GHG emissions data is collected through our internal ESG Data Collection Application and is compiled, calculated, and analyzed by our Global Sustainability function using an in-house calculation tool that uses the latest emission factors.

AGI currently measures emissions for three of the seven direct greenhouse gases under the Kyoto Protocol – carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O). Emissions of each GHG (CO₂, CH₄, N₂O) are calculated separately and then converted to CO₂ equivalents based on their global warming potential. We used the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6) to determine global warming potential values.

AGI accounts for the material GHG emission sources that were identified following a screening exercise. AGI's primary sources of GHG emissions are stationary combustion equipment used at various stages in our production processes that consume natural gas and purchased electricity. These processes include metal fabrication, cutting, bending, roll forming, rolling, welding, painting, and high-tech processes like laser, punching, and robotics. We also operate a fleet including passenger vehicles, trucks, forklifts, and other mobile equipment to facilitate the transport of goods in and outside of our manufacturing facilities; the combustion of fuels including gasoline, diesel, and propane used in this equipment contributes to AGI's mobile emissions. No material process and fugitive emissions result from AGI's operations.

Air quality

We are also focused on identifying opportunities to reduce toxic chemicals in production processes. Several of our manufacturing locations use powder coating with low volatile organic compounds (VOC) content in our paint process. Compared to liquid paint, powder coating reduces emissions from VOCs.



AGI Brazil



Our actions in 2024

Target setting and decarbonization

In 2024, we disclosed a realistic GHG intensity reduction target: to reduce Scope 1 and 2 GHG emissions (tCO₂e) as a percentage of revenue by 25% by 2030, compared to a 2021 baseline year. An intensity metric was identified to account for GHG emissions efforts and future sales growth. In addition, with guidance from a third-party consulting firm with deep climate expertise, we developed a decarbonization plan to guide our efforts in 2024 and beyond to meet our established target. The decarbonization plan is intended to operationalize our target and outlines the key initiatives and steps to reduce our Scope 1 and 2 GHG emissions from our core business activities. Within the plan, initiatives were assessed for their ability to impact AGI's GHG emissions based on cost and level of effort to implement. Based on this criterion, the following high-level decarbonization levers have been identified. These will be further evaluated and implemented using a sequential approach.



Energy-efficiency improvements

Examples of energy-efficiency initiatives include optimizing and upgrading heating, ventilation, and air conditioning (HVAC) systems to more energy-efficient models, installing smart thermostats, performing preventative maintenance such as leak management, and using timers on equipment to align with production cycles. Additional measures include adopting energy-saving behaviours, installing LED lighting, utilizing light and occupancy sensors, and upgrading to energy-efficient equipment where incentives are available, and return on investment can be demonstrated. Adopting energy-saving behaviours can reduce operational costs, lower electricity consumption, and improve overall facility productivity.

In the past few years, some of AGI facilities have implemented various energy-efficiency improvements, such as LED lighting, smart thermostats, and HVAC system upgrades. We have implemented a customized approach to applying appropriate energy-efficiency measures based on location-specific factors. Moving forward, we intend to expand these improvements and practices more consistently across our facilities, with a focus on locations with higher energy costs and energy-intensive equipment and processes that currently lack energy-efficient measures.



Electrification of mobile facility equipment

Transitioning mobile facility equipment, including forklifts, from fuel-powered internal combustion engines to electric models has the potential to significantly reduce AGI's Scope 1 GHG emissions. Beyond reducing GHG emissions, electric forklifts offer additional benefits such as lower noise levels, reduced heat generation, and enhanced safety.

While a select number of AGI facilities currently use electric forklifts, the majority of our forklift inventory remains fuel powered. This presents a substantial opportunity for AGI to further reduce Scope 1 mobile emissions. We are committed to increasing the use of electric facility equipment wherever feasible (i.e., readily available supply and infrastructure).

AGI's decarbonization plan outlines the implementation approach including key activities, milestones, and timelines for each initiative, and describes the related policies, financials, governance, metrics and targets, and risk-management approach.

Our initial focus is on energy-efficiency improvements and, in future years, we will explore the implementation of other initiatives (electrification, renewables). Lessons will be documented prior to expanding the implementation of initiatives to additional facilities.



Consider electrification of vehicles

The transition from internal combustion engines to electric or hybrid vehicles in our fleet can significantly reduce Scope 1 GHG emissions associated with the transport of goods and materials. Additionally, this shift can lower transportation costs by reducing fuel consumption.

Currently, a substantial portion of AGI's owned and leased fleet is fuel powered, presenting a valuable opportunity to transition to electric or hybrid models where feasible. We will prioritize the use of electric vehicles in regions where there is a reliable supply of electric vehicles, adequate charging infrastructure, and available incentives. To ensure a smooth transition, we will analyze our current fleet to identify vehicles with usage patterns that are most suitable for electrification, such as those that can be charged overnight at a facility or are used for shorter trips. Starting in 2025, we have identified a few facilities to pilot the use of hybrid and fully electric vehicles. The insights gained from these pilot programs will be applied to other facilities to expand our electrification efforts in future years.



Use of renewable energy

Increasing the amount of electricity from renewable sources through the installation and use of on-site renewable energy such as solar or wind can significantly reduce AGI's GHG emissions and create long-term cost savings by decreasing reliance on local energy sources. Currently, two AGI facilities in Italy are utilizing on-site renewable energy. Moving forward, we intend to evaluate the feasibility of implementing on-site renewable energy solutions (e.g., solar, wind) at other locations where renewable energy incentives exist. Additionally, there is a growing offering of renewable energy agreements available in the market that AGI could explore.



Fleet management

In early 2024, we rolled out a fleet management program including the use of fuel cards across North America that will enable us to track activity data across our fleet. This program leverages Element, a fleet management software, which allows us to track fuel use, mileage, vehicle maintenance, driver behaviour, and match the appropriate vehicle to the driver to ensure efficiency. Fleet cards were rolled out to cover all fuel and maintenance expenses on fleet vehicles, eliminating the need for credit card usage and providing better oversight of maintenance requirements. While this was an operational initiative, the cards have allowed for greater visibility on GHG activity data and improved data accuracy in our Scope 1 mobile GHG emissions.

Measuring our greenhouse gas emissions

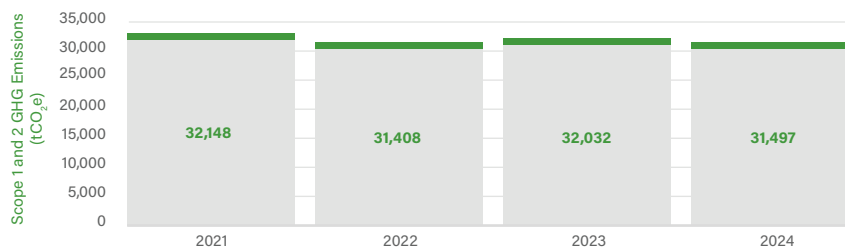
We continue to formalize internal data collection processes to calculate our Scope 1 and 2 GHG emissions from our warehouse and manufacturing locations. We have calculated AGI's Scope 1 and 2 GHG emissions for 2024.

A breakdown of AGI's annual Scope 1 and 2 GHG emissions from our manufacturing and warehouse locations is in the table below.

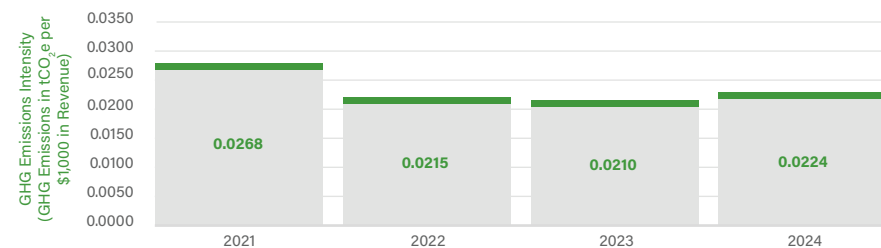
| Indicator (tonnes of CO ₂ equivalent) | Target (If available) | 2021 | 2022 | 2023 | 2024 |
|--|--|--------|--------|--------|--------|
| Total Scope 1 GHG Emissions | --- | 19,409 | 19,287 | 20,142 | 20,316 |
| Total Scope 2 GHG Emissions – Location Based | --- | 12,739 | 12,121 | 11,171 | 11,181 |
| Total Scope 1 and 2 GHG Emissions | --- | 32,148 | 31,408 | 31,624 | 31,497 |
| Scope 1 and 2 GHG Emissions (Intensity (GHG Emissions per \$1,000 in Revenue by Year)) | To reduce Scope 1 and 2 GHG emissions (tCO ₂ e) as a percentage of revenue by 25% by 2030, compared to a 2021 baseline year | 0.0268 | 0.0215 | 0.0225 | 0.0224 |



Annual Absolute Scope 1 and 2 GHG Emissions



Annual GHG Emissions Intensity (GHG Emissions in tCO₂e per \$1,000 in Revenue by Year)



In 2024, 69% of Scope 1 emissions stemmed from stationary sources and 31% were from mobile sources. Purchased electricity accounted for all of AGI's Scope 2 GHG emissions in 2024.

Similar to AGI's energy consumption, there are several factors, both internal and external, that can affect AGI's annual absolute GHG emissions and GHG emissions intensity. While absolute GHG emissions remained relatively stable year over year due to consistent energy use and operations, we expect that operational optimization efforts, along with the consolidation and closure of AGI facilities over the last several years, have contributed to lowering AGI's GHG emissions intensity relative to the 2021 baseline. We achieved a 16% reduction in Scope 1 and 2 GHG emissions intensity relative to our 2021 baseline, on track to meet our 2030 target.

Regarding AGI's Scope 3 GHG emissions, AGI completed a screening exercise in 2023 of the major categories of Scope 3 GHG emissions. We have chosen not to disclose our Scope 3 GHG emissions as we are still developing methodologies to accurately quantify Scope 3 and currently rely on industry averages. These averages may not accurately reflect our footprint due to a lack of product and supplier-specific emissions data. Future actions may include engaging with suppliers to understand their Scope 1 and 2 GHG emissions and discuss opportunities for reduction and identifying opportunities to reduce emissions from input materials, logistics transportation, and the use of sold products.

Aligning with the recommendations of the TCFD and managing climate-related risks and opportunities

Last year, for the first time, AGI disclosed the climate-related risks and opportunities facing AGI in alignment with the Task Force on Climate-Related Financial Disclosures (TCFD) framework. Throughout 2024, our TCFD working group continued to review and manage these climate-related risks and opportunities. An update to these risks and opportunities, and our approach to Board and management oversight, are further described in the TCFD section in the appendix of this report.

Supporting farmers in reducing on-farm emissions

In 2024, AGI's Digital team continued to work with partners in supporting farmers to implement climate-smart practices and reduce their on-farm emissions by providing them with the software and hardware to measure on-farm data and track environmental outcomes including GHG emissions and other benefits. See the Technology & Innovation section later in this report for more details on these partnerships and how AGI is enabling emissions reduction.



Harnessing the power of solar energy in Italy

AGI EMEA installed a 19.8 kilowatt peak photovoltaic rooftop solar system at its Ozzano site in Bologna in 2019. The 30 panels installed allow energy production on days with high sun radiation and have covered a portion of the location's electricity needs. Solar panels were also installed at AGI EMEA's Fiesso plant, and the panels were connected to the national grid in November 2023.

In 2024 in Ozzano, the system produced approximately 37 MWh of electricity in 2024, of which 17 MWh was consumed, helping to reduce the Ozzano location's carbon footprint, and representing approximately 14% of the total electricity consumption. In Fiesso, the system produced approximately 909 MWh in 2024, of which 615.93 MWh was consumed. This represents approximately 36% of the plant's total electricity consumption.

We estimate that, in 2024, the systems helped to avoid approximately 272 tonnes of CO₂ emissions across both locations. Going forward, we will continue to track the energy generated from solar, GHG emissions avoided, and cost savings at both locations, and apply these learnings to the implementation of renewable energy at other AGI locations.



Next steps

In 2025 and beyond, we intend to operationalize our decarbonization plan and related initiatives. We will also continue to manage the climate-related risks and opportunities facing our business.



Water Efficiency & Recycling

Goal

To track and minimize water consumption and manage water discharge.

Our approach

Water is a critical resource and one that we know we must do our part to protect. We strive to manage water consumption as well as water discharge.

At AGI, most of our water consumption is for sanitary and custodial use. However, some parts of our manufacturing processes consume water in the production of our products including our powder paint process and waterjet cutting.

Our priority is to manage water consumption at manufacturing facilities located in areas vulnerable to water shortages, as per the [World Resource Institute's Aqueduct Water Risk Atlas](#). This includes our facilities in the following locations: India; Fiesso and Ozzano in Italy; Albion, Nebraska in the United States; Nobleford, Alberta and Woodstock, Ontario in Canada. For these facilities, we assess physical water risk data including water stress levels, flood risk, and drought risk.

Water withdrawal at our manufacturing and warehouse locations is tracked and reported monthly through AGI's internal ESG Data Collection Application. Reported data is reviewed and approved by a designated authority at each location. Our local facilities are engaged in identifying opportunities to manage and reduce our water consumption. We also monitor discharge volumes of water and water recycled.

Additionally, some of AGI's products contribute to supporting water conservation outcomes. AGI's above-ground water storage systems can support large-volume water management. These systems exceed the American Water Works Association Standard D103-09, which provides the minimum requirements for the design, construction, inspection, and testing of cylindrical steel tanks for the storage of water.



Our actions in 2024

Water conservation efforts

AGI facilities identified opportunities to manage and reduce water consumption. Some examples from 2024 follow:

- Our India sites continued to use water meters to track consumption for sanitary, custodial, and manufacturing process use. This includes measuring water used in the powder coating process. Water meters are read with values recorded daily, and data is aggregated each month. We continue to identify opportunities to reduce water consumption in India.
- Our St. Boniface facility in Winnipeg, Manitoba uses low-flow taps and lower-flow toilets in their restrooms. Last year, the team reviewed the facility for leaks and repaired those identified.
- Our Omaha facility identified and repaired water leaks, which is expected to improve the facility's water consumption from key manufacturing processes.

Water consumption

We continued to track water consumption at AGI manufacturing facilities.

Water consumption in 2024⁵:

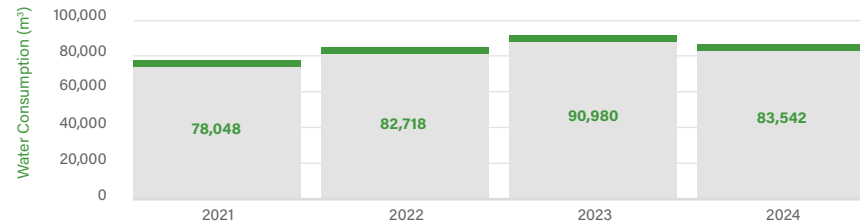
83,542 m³

Water consumption is defined as total water withdrawal less total water discharge.

In 2024, we saw a decrease in total water consumption across AGI manufacturing facilities, by approximately 8% compared to 2023 values. Most of the water withdrawn in 2024 was from local utility sources, followed by ground or well water. Several factors may have influenced annual water consumption, including a decrease in production levels in select locations. When accounting for sales, annual water intensity remained relatively stable in 2024 compared to 2023 values.

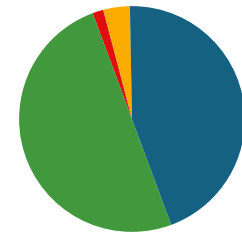


Annual Water Consumption (m³)

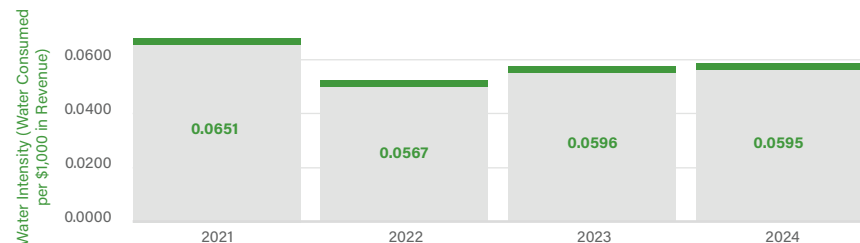


2024 Water Withdrawal by Source

| | |
|-----------------------------------|-----------------------|
| Ground water or well water | 45,727 m ³ |
| Local utility or municipal | 40,022 m ³ |
| Demineralized water | 4,351 m ³ |
| Third party (i.e., tankers, etc.) | 576 m ³ |



Annual Water Intensity (Water Consumed per \$1000 in Revenue by Year)



Next steps

We intend to continue to identify further opportunities and initiatives to reduce our water consumption, enhance water recycling, and build awareness on water use and the sharing of best practices across our locations.

⁵ As part of our commitment to transparency, we have improved our measurement methodology for calculating total water consumption. We have restated annual water consumption and water intensity figures for the calendar years 2021, 2022, and 2023. This restatement has resulted in an increase in water consumption previously reported. 2023 water consumption is approximately 6% higher compared to the amount previously reported. This adjustment ensures greater accuracy in our environmental performance reporting and aligns with our commitment to data integrity and comparability across reporting periods.



Responsible Conduct

We prioritize the following Responsible Conduct topics:

- Governance, Organizational Effectiveness & Employee Skilling
- Ethical Conduct
- Legal Risk Management
- Supply Chain Continuity
- Responsible Supply Chain
- Data Governance & Security

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

AGI is committed to best practices for risk management and ensuring robust governance through our organizational structure, processes, and policies to achieve sustainable growth and resilience.



Contributes to the following UN SDGs



Governance, Organizational Effectiveness & Employee Skilling

Goal and targets

To strengthen our organizational processes and employee skilling opportunities.

The following targets have been established:

- Achieve an Employee Engagement Survey Participation Rate of over 80%
- Achieve an Employee Engagement Score of over 80%

Our approach

We are committed to meeting best practices and exceeding the guidelines established by the Toronto Stock Exchange and Canadian securities regulatory authorities for corporate governance. AGI's success is driven by the strength of these practices, as well as the effectiveness of our operations and the dedication and talent of each one of our employees. We are committed to providing our employees with opportunities for continuous learning and development.

Corporate governance

In 2024, AGI's Board of Directors consisted of eight Directors, including our President & CEO and seven independent Directors. AGI's Chair is a non-executive and an independent Director. Board members are elected and re-elected individually, on an annual basis.

We have three Board-level committees:

1. The Governance & Sustainability (G&S) Committee assists the Board in fulfilling its responsibilities relating to corporate governance, sustainability, enterprise risk management, and health and safety matters.
2. The Human Resources & Compensation Committee assists the Board in fulfilling its responsibilities relating to compensation and human resource matters.
3. The Audit Committee assists the Board in fulfilling its oversight responsibilities by reviewing financial information provided to shareholders, identifying, and monitoring the management of principal risks that could impact financial reporting, reviewing disclosure and controls procedures, maintaining internal control over financial reporting established by management, and monitoring auditor independence and the audit process.

Each Board committee is guided by detailed Terms of Reference.

For additional information on our corporate governance practices and policies, please see our [2025 Management Proxy Circular](#) or visit our [website](#).

Employee skilling and development

In 2024, we introduced a new global HR strategy centred on the following four strategic pillars: total rewards, talent acquisition, talent management, and HR business partners. Through these pillars, we aim to establish a fair and competitive compensation framework, establish a strong employer brand, enhance the employee experience, support continuous learning and development, and empower the HR function to build and retain the workforce needed to advance AGI's mission.

As part of the talent management pillar, we are committed to investing in our employees' growth and development. We regularly provide employees with job-specific training, opportunities to participate in certification and degree programs, and other opportunities for leadership training and skills development. We offer competitive salaries, benefits, and an employee share purchase plan, which all salaried employees are eligible to participate in. Non-officer employees at specific levels within the organization are also eligible for variable incentive pay, which is determined based on a combination of financial and individual objective measures.



Our actions in 2024

Employee engagement: listening to our employees

We are on a multi-year journey to enhance the employee experience. This starts with gaining a strong understanding of our strengths and opportunities for improvement, which were identified in AGI's inaugural Employee Engagement Survey conducted in 2023. Through this survey, employees shared their feedback on the culture and level of engagement at AGI. The survey also addressed other areas including talent acquisition processes, learning and development, workplace flexibility, well-being, and inclusion. The survey was completed by employees in 13 different languages, achieving a 63% participation rate and an overall employee engagement score of 89%, defined as the percentage of employees who find their work engaging and understand how it contributes to AGI's success. Findings from the survey established a baseline to measure progress and supported the identification of priorities for 2024 and beyond.

In 2024, we focused on implementing several actions across the following areas:

Formalizing talent processes

We are focused on standardizing HR processes globally. This involves talent development processes, where last year we rolled out a formal process to support goal setting and feedback on performance. Additionally, we developed performance management tools and templates including common global competencies.

Expanding training and development opportunities

Last year, we launched the One AGI Emerging Talent Program, designed to nurture and accelerate the next generation of leaders, offering hands-on experience, mentorship, and fostering fresh perspectives within our industry. In our inaugural program, 30 participants from different AGI functions and regions participated and were put in groups to tackle real business challenges, gaining hands-on experience and mentorship from senior leaders across AGI. At the end of the program, in July 2024, participants had opportunity to present their findings to members of the Executive team at AGI's Naperville office, providing the opportunity to network and build strong relationships with peers, mentors, and leaders from across the organization.

In addition to job-specific training, over the course of 2024, we offered employees a range of learning and development opportunities across a range of topics such as safety, unconscious bias, cyber security awareness, and more. We engage dedicated training vendors specialized on different topics such as data security, safety, and unconscious bias, and track these training hours separately. The organization-wide training delivered last year to all AGI employees globally about unconscious bias is one example of this type of training. We have also committed to expanding global training on harassment and violence prevention.

Continuous learning is essential for employee growth and organizational success. In 2024, we focused on developing training programs that cover both technical and soft skills and encouraging employees to pursue professional certifications and degrees by providing support for enrollment. These opportunities are approved on a case-by-case basis based on performance and alignment to the employee's role and career aspirations.



Enhancing communication and collaboration

Effective communication and collaboration are the cornerstones of a successful organization. In 2024, AGI focused on enhancing communication to facilitate seamless interaction among employees, regardless of their location. We encouraged a culture of open dialogue and feedback, where employees feel valued and heard. Additionally, we organized regular team-building activities and cross-departmental projects to foster collaboration and mutual understanding.

To improve transparency around compensation, we are also developing training materials on AGI's short-term incentive plan and on AGI's broader approach to compensation.

We plan to continue to measure the effectiveness of these initiatives and changes to AGI's employee engagement score through future employee engagement surveys. In addition to engagement surveys, we continue to identify opportunities to hear from our employees on an ongoing basis through different forums, such as global and local Town Hall meetings, and initiative-specific surveys. For example, last year we continued to conduct regular surveys related to our enterprise resource planning transformation underway to understand employees' level of awareness of the project and identify the opportunities and obstacles that need to be addressed.



Other strategic initiatives

One AGI Awards

Last year, we continued to recognize and celebrate employee success and contributions through our One AGI Awards. The objectives of these awards are to encourage high performance, foster a positive work culture, promote our guiding principles, recognize individual effort, encourage accountability, and strengthen our employer brand. In 2024, there were two main award categories for AGI Sales Awards, Top Sales Performer and Top YoY Sales Growth, awarded to individuals across businesses and regions, based on sales performance and year-over-year sales growth relative to documented targets and absolute sales achieved. The Ben Scheiner Excellence Award rewards and recognizes functional efforts that have a significant contribution to our strategic objectives and/or exemplify AGI's culture or values, with one recipient for each region.



HR digital transformation

We are investing in the systems and technology required to support all phases of the employee experience, from onboarding to talent development. Our global HR digital transformation initiative has been focused on implementing a common HR Information System (HRIS) that will be accessible to all AGI employees globally. Our HRIS was rolled out across North America in 2023, and we continue to expand access to all regions. We are working on integration of the HRIS with other IT systems and our ERP. Last year, we introduced new HRIS modules to streamline the employee experience including modules and training on goal setting, professional development planning, and performance management. Going forward, we will continue to integrate additional HRIS capabilities including talent acquisition, and training and development, while incorporating employee data from our global locations.

Fostering a culture of innovation

Encouraging innovation and creativity is essential for employee development. In 2024 we focused on creating an environment where employees feel empowered to share ideas and take risks, recognizing and rewarding innovative contributions, and providing opportunities for employees to work on cross-functional projects and explore new areas of interest.

Fostering student development and on-the-job learning in Brazil

AGI's Apprenticeship Program in Brazil, "Projeto AGIR," offers students on-site classroom training and on-the-job learning, providing professional development and qualification opportunities. In early 2024, approximately 28 students graduated from the 12-month paid internship, gaining skills in various areas. Students become part of AGI's culture and have opportunities to be involved in community engagement activities and, in some cases, are offered employment after graduating the course. This program supports local economic development and is offered in partnership with Brazil's National Service for Industrial Training. Another cohort of students is expected to graduate from the program in early 2025 and we are developing plans to continue the program in the future.



Next steps

In 2025, we are committed to continuing to standardize talent development processes, expand training opportunities, and engage our employees. Our next Employee Engagement Survey is planned for the fall of 2025. Employee skilling initiatives for 2025 will be designed to develop the AGI leadership and core competencies required to thrive. These initiatives will take various forms, including structured training programs, mentorship and coaching, and continuous learning opportunities.



Ethical Conduct

Goal and target

To empower our workforce with policies and resources to ensure ethical business practices.

The following target has been established:

- To achieve 100% completion rate of our annual ethics confirmation for applicable employee groups.

Our approach

Acting in an ethical manner is one of AGI's core values. As a global operation, it is critical that anyone representing AGI strictly adheres to acceptable and ethical business practices and that any potential risks are identified and dealt with immediately. Our compliance program fosters an ethical culture and raises awareness of our Code of Business Ethics to mitigate corruption and other compliance risks. AGI's Ethics and Compliance team, comprised of members from AGI's Internal Audit and Legal functions, oversees AGI's ethical conduct policies and practices including taking appropriate follow-up action and reporting to senior leadership and the Audit Committee of the Board.

AGI's [Code of Business Ethics](#) outlines the business practices, standards, and behaviours that AGI Directors, Officers, and employees must follow to uphold AGI's reputation for honesty, integrity, and reliability. The Code also applies to consultants, contractors, dealers, distributors, and agents retained by AGI. Annually, AGI employees are invited to respond to an ethics confirmation that covers topics including conflict of interest, integrity in business dealings, and compliance with AGI's Code of Business Ethics, among other areas.

We are committed to supporting an environment where employees feel safe reporting any concerns about behaviour that may go against AGI's Code of Business Ethics. Employees are encouraged to raise concerns about suspected violations of our Code of Business Ethics to their direct supervisor, Human Resource Business Partner, or to a member of the AGI Leadership Team. External stakeholders can also report concerns to AGI's Ethics and Compliance team by email. AGI's Whistleblower Policy and program establishes courses of action for employees to report concerns anonymously. Any individual that wishes to remain anonymous can report a concern via AGI's third-party service provider, WhistleBlower Security Inc., and their secure application, *IntegrityCounts*.

This secure online application is confidential, allows a reporter to be anonymous if desired, and is available 24/7 in over 25 different languages. Our Internal Audit function administers AGI's whistleblower program, including ensuring all reports received are tracked and investigated in a timely manner, involving appropriate functions such as Legal, HR, Finance, and other applicable functions as needed. The Internal Audit team reports to AGI's Audit Committee and select members of senior leadership, as appropriate, on incidents received and the status of investigations. AGI prohibits retaliation against anyone who reports suspected unethical conduct through the annual ethics confirmation or whistleblower program.

AGI avoids business dealings with individuals, companies, or governments that could pose a concern to AGI's reputation. AGI's [Anti-Bribery and Anti-Corruption Policy](#) complements our Code of Business Ethics and provides a framework for effective compliance with applicable anti-bribery and anti-corruption laws, including outlining roles and responsibilities across our business operations and encouraging a commitment to compliance with laws, transparency, and integrity in all our business operations. AGI's Senior Vice-President of Legal oversees and implements the policy, as well as overseeing the development, implementation, and monitoring of AGI's Anti-Bribery and Anti-Corruption program.



In addition to our Code of Business Ethics, Whistleblower Policy, and Anti-Bribery and Anti-Corruption Policy, the following governance policies outline our expectations of our employees, agents, and suppliers on ethical conduct:

- [Harassment and Violence Prevention Policy](#)
- [Insider Trading Policy](#)
- [Supplier Ethics Policy](#)

To better vet and understand the background of AGI's partners, agents, suppliers, customers, and other parties, we invest in new tools and third-party databases to help us review potential partners. In 2024, AGI continued to subscribe to third-party software services that specialize in global trade compliance and third-party due diligence. These tools promote greater visibility and understanding of the parties we deal with around the world. As we operate in several countries outside of North America, having access to these types of tools helps to minimize legal risk by reducing the possibility of AGI becoming associated with parties who do not meet our standards for ethical conduct and acceptable business practices.



Our actions in 2024

Policy review

To ensure alignment with international human rights legislation and reaffirm AGI's commitment to human rights, in 2024 we improved our Code of Business Ethics to explicitly address human rights considerations. This included making updates to the policy to directly address compliance with applicable labour laws in the countries in which we do business, to prohibit the use of child and/or forced labour in our operations, and to respect employees' freedom of association. To ensure widespread awareness, we also translated AGI's Code of Business Ethics into multiple languages. In 2023, AGI's Supplier Ethics Policy was amended to include human rights considerations including: use of child labour, use of forced labour, and accessible working conditions, in alignment with the International Labour Organization. The updated policy was communicated to suppliers in 2024.

Ethics confirmation

In 2024, we issued AGI's annual employee ethics confirmation across our global sites. The confirmation was distributed to applicable AGI employees electronically. Through the questionnaire, employees were asked to acknowledge that they were aware of AGI's Code of Business Ethics and processes to report incidents, and to report any past or current business practices or activities that may be against the Code. Our Ethics and Compliance team is responsible for reviewing all responses. We achieved a 100% completion rate among applicable employees. In addition, we required suppliers in select regions to sign a declaration confirming adherence to AGI's Supplier Ethics Policy.

Whistleblower program

AGI's whistleblower program continues to leverage the secure online reporting application, *IntegrityCounts*, which was available to all employees globally in 2024. Our Internal Audit team administers the program including ensuring all reports received are tracked and investigated in a timely manner, involving appropriate functions as needed.

Training

To strengthen awareness of ethical business practices and reinforce the importance of AGI's policies, we offered a range of in-person and web-based training opportunities to AGI employees. For example, employees completed web-based training, using a third-party vendor, across different ethics-related topics such as anti-bribery and corruption. This is described further in the next section of this report.

Next steps

Our focus on adhering to the highest standards of ethical conduct will continue into 2025 and beyond, including through the issuance of our annual employee ethics confirmation, continuing the delivery of mandatory anti-bribery and anti-corruption training to applicable employee groups, expanding training on AGI's Harassment and Violence Prevention Policy outside of North America, and continuing to utilize our third-party whistleblower hotline and taking appropriate follow-up action as required.



Legal Risk Management

Goal and target

To manage legal and regulatory risks through policies, processes, and training.

The following target has been established:

- To achieve a 100% completion rate for anti-bribery and anti-corruption training among applicable employees.

Our approach

AGI's Board of Directors oversees management in ensuring that legal requirements applicable to AGI are met, and that AGI operates within applicable laws and regulations. Our Legal function provides guidance and support across all functions to monitor, identify, and manage legal and regulatory risks facing AGI through policies, processes, and training. This includes working collaboratively with the Global Corporate Sustainability function on monitoring ESG-related legislation, as well as any potential legal and/or regulatory risks facing the corporation. In addition, legal and regulatory risks are identified in our Enterprise Risk Management Framework and processes.

Our actions in 2024

Ongoing monitoring and compliance

Throughout 2024, we continued to monitor adherence to internal governance policies and procedures and external sustainability-related risks and opportunities. This involved assessing and taking appropriate steps to ensure compliance with sustainability-related regulations in the jurisdictions where we operate.

One example is AGI's ongoing compliance with the Government of Canada's Bill S-211, "An Act to Enact the Fighting Against Forced and Child Labour in Supply Chains Act and to Amend the Customs Tariff", ("Canada's Modern Slavery Act"), which was passed in 2023 and requires companies to disclose the steps taken to address risks of child and forced labour in their supply chains.

In May of 2024, we released our first Modern Slavery Statement, meeting the Government of Canada's reporting requirements. This involved disclosing the steps taken in 2023 to identify and assess any potential risks of modern slavery in our supply chain. Throughout the remainder of the year, we continued to advance the priorities established in the report. Additional details on these activities and AGI's responsible supply chain efforts are described in upcoming sections of this report.

Training and awareness building

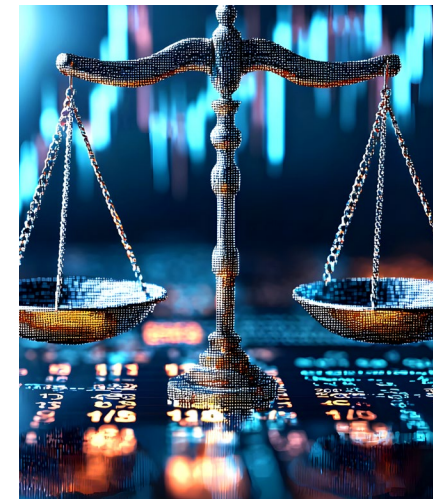
In 2024, AGI's legal team provided a customized training session on anti-bribery and anti-corruption to different functional teams across AGI including over 80 members of the North America farm team, the US Commercial Sales team, and Global Procurement team members. Additionally, in late November 2024, we rolled out three mandatory training courses to employees using AGI's third-party ethics and compliance training vendor. The training is offered in multiple languages and covered the following topics:

- Gifts, Hospitality & Anti-Bribery
- Perspectives with Quiz: Bribery and Corruption
- Dealing with Third Parties: Anti-Corruption

Training hours on these topics are tracked by the third-party vendor. As the rollout of this training is still ongoing, we continue to track the overall training completion rate.

Next steps

We will continue to monitor legal and regulatory risks through a review of regulations, policies, processes, and training in 2025. In addition to the ongoing monitoring of third parties operating on AGI's behalf, we will continue to focus on translating key corporate policies into applicable languages and delivering training on anti-bribery and anti-corruption to identified employee groups, focusing on employees in higher risk areas (including sales, procurement, and logistics). Additionally, we continue to identify opportunities for due diligence regarding modern slavery risk in our supply chain.



Supply Chain Continuity

Goal

To develop supply chain infrastructure to ensure continuity without business interruptions.

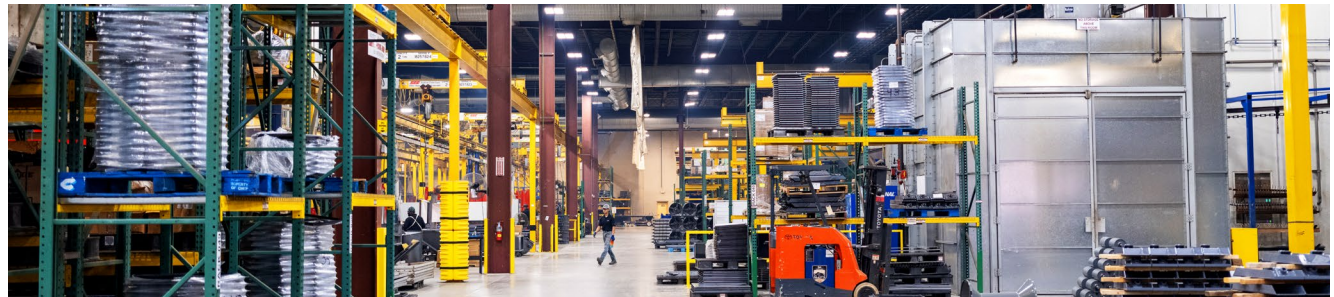
Our approach

AGI operates and serves customers around the globe and relies on an international supply base. Main goods procured include raw materials including steel and technical components, which are typically sourced regionally where available.

Our Global Supply Chain function provides critical support to our business, from sourcing to planning to delivering. This is accomplished by standardizing global practices and developing corporate supply chain policies and processes. The functional team is responsible for: category and spend management, inventory management, supply risk management, logistics and freight management, supplier relationship management, sales and operations planning, indirect spend management, fleet (asset) management and supplier selection and qualification. Strategic supply chain priorities are aligned with AGI's strategic objectives and include supplier consolidation, price and contract management, design material / specification changes, and standardization.

To ensure supply chain continuity, our Global Supply Chain function develops and promotes the use of demand and supply business continuity tools and sharing of best practices across facilities. On-time and on-cost delivery is also achieved through comprehensive contract and risk management processes and activities such as category management to ensure there are multiple viable suppliers active in each area, forward-looking industry assessments, and continuity planning. In addition, AGI conducts quarterly reviews with strategic and preferred suppliers to assess performance and identify corrective actions. As well, we conduct frequent reviews of inventory.

AGI's Logistics team manages the movement of goods from suppliers to manufacturing facilities and the movement of AGI products from AGI facilities to our customers in the most efficient and effective way possible to meet our customers' needs. ESG-related risks that may impact supply chain continuity such as labour-shortage, geopolitical, and weather impacts are monitored and proactively addressed by the team. For example, mitigation actions may include identifying alternative suppliers, planning additional routes, or developing alternative shipping plans. Supply chain continuity is also achieved by having multiple supply agreements in place with a diverse supply base and increasing safety stock for critical products. In addition, there are weekly alignment calls with Purchasing Managers for consistency across AGI's global facilities to ensure there are no supply shortages.



Our actions in 2024

In 2024, the Global Supply Chain function advanced supply chain continuity efforts through several key initiatives:

Logistics planning

Over the course of 2024, our Logistics team actively monitored and managed risks that could impact supply chain continuity. From potential strikes to severe weather events such as hurricanes in the United States, flooding in the south of Brazil, and wildfires in Canada, the team actively worked with freight suppliers to minimize business disruptions. This involved reviewing the status of orders, proactive communication with customers and business leaders, and exploring alternative solutions.

Demand and recovery planning

The Global Supply Chain function also continued to develop tools and templates including a demand and recovery tool for use by procurement managers. Tools and templates developed in 2024 include: daily inventory position reports by division to improve stock visibility, weekly open purchase order analysis, a Days Sales of Inventory Projection Tracker to support scenario planning, and an Inventory Turn Analysis Report to identify slow-moving or excess inventory and necessary actions. We encourage the adoption of best practices through sharing of demand and recovery tools and learnings across our global facilities. In addition, we implemented LeanDNA, an inventory optimization solution, across select facilities in the United States to improve on-time delivery and drive supply chain efficiencies. We conducted monthly inventory review meetings, bi-weekly inventory sessions, and structured training to drive awareness and data-driven decision-making.



Supplier quality

In 2024, we continued with our efforts to standardize processes and tools related to the selection and qualification of suppliers to do business with AGI. In addition, with increased risks in supply chains due to weather, policy changes, geopolitics, and other events outside of our control, we undertake constant reviews of new or alternate suppliers to ensure supply continuity for AGI facilities.

Optimizing material use

As the steel industry decarbonizes, there are increased opportunities for AGI to procure more sustainable input materials. In 2024, AGI made some steel purchases from steel suppliers using electric arc furnaces (EAFs), which mainly use scrap and recycled metals. We estimate that approximately 45% of steel used in the manufacturing of AGI grain storage bins is now sourced from suppliers using EAFs. AGI also seeks to optimize its use of materials in production processes. In addition, with the intent to maximize our rates of steel utilization, we are reviewing options on steel management through four distinct levers: forecasting, sourcing, scrap optimization, and demand utilization.



Enterprise Resource Planning (ERP) transformation

AGI is on a multi-year journey to transform our ERP system. Throughout 2024, AGI's supply chain function continued to support the design of and commenced testing for a centralized ERP system to store supplier master data and centralize sourcing, contract management, and vendor management activities in a single system. It is anticipated that this centralized procurement process will provide several benefits including an improved supplier experience, increased efficiency, better visibility, and access to timely information.

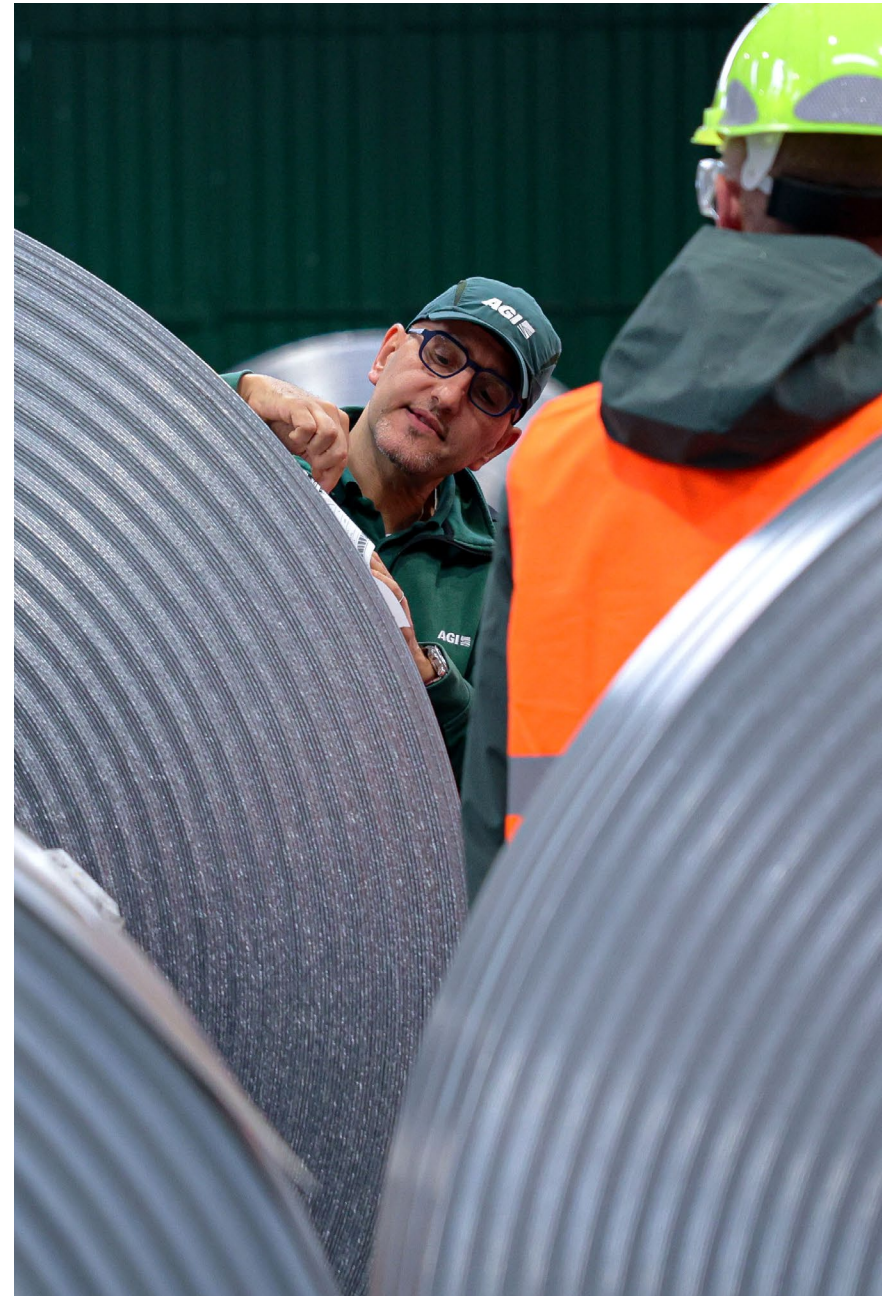
Training and awareness

The above initiatives were reinforced through proactive communication, training, and awareness-building activities. Our Global Supply Chain function conducted quarterly Town Hall meetings to share updates on strategic priorities, initiatives, and progress. Ad hoc training sessions were also delivered over the course of 2024 to Procurement Managers on important topics, including inventory management (e.g., Days Sales in Inventory 101, Lead Time Accuracy) and chemical compliance (e.g., per- and polyfluoroalkyl substances [PFAS]). All supply chain tools and templates can be accessed by Procurement and Plant Managers from AGI's global facilities in our internal Global Supply Chain SharePoint portal. To ensure training is effective, we have introduced regular feedback mechanisms, including surveys, follow-up sessions, and continuous improvement.

Next steps

Planned 2025 efforts to ensure continuity and reliability in our supply chain include proactive contract management, continuing to standardize global and regional processes and offer training, and the first phase deployment of AGI's centralized ERP system for select business functions. We also intend to roll out LeanDNA to other locations to improve internal reporting capabilities. In 2025 and beyond, we also intend to identify opportunities to procure sustainable goods and input materials and will proactively monitor potential ESG impacts on our supply chain. We also continue to identify tools and solutions to provide better visibility into the ESG-related risks that may impact supply chain continuity.

We are aware of recent trade policy changes (i.e., tariffs, the EU's Carbon Border Adjustment Mechanism, etc.) across different regions where AGI operates. We are constantly reviewing risks on price and availability of goods and creating mitigating plans to ensure supply continuity and competitiveness. We expect some commodities that AGI buys such as steel will be more price volatile in 2025. As such, we are working with strategic and preferred suppliers to either build inventory in advance or make opportunistic buy decisions.



Responsible Supply Chain

Goal

To manage risks in AGI's supply chain related to supplier activities (e.g., environmental responsibilities, abiding by labour laws, etc.).

Our approach

Highly correlated with ensuring supply chain continuity is ensuring that we are proactively managing ESG-related risks and opportunities associated with our supplier activities. We believe that embedding ESG criteria in our supplier segmentation, selection, and performance monitoring efforts supports the sustainability of AGI's operations and contributes to the achievement of our strategic objectives.

We are committed to holding our suppliers to the highest standards of product quality and business integrity. This includes their business conduct, human rights and labour, health and safety, and environmental practices. AGI's expectations of our suppliers in this regard are established in AGI's [Supplier Ethics Policy](#).

Our Global Supply Chain and Global Sustainability functions work together closely to identify, monitor, and manage risks and opportunities related to responsible supply chain. Procurement Managers across AGI's global facilities also play a role in identifying and surfacing ESG-related risks and opportunities.



Our actions in 2024

Strengthening our understanding of ESG risks and opportunities in our supply chain

Over the course of 2024, we conducted ongoing third-party screening of identified suppliers and their affiliated entities (and other third parties) for ESG-related risks including adverse media, watchlists, and/or sanctions screening. We use a market-leading third-party risk-management platform which screens for risk areas such as anti-bribery and corruption, modern slavery and human rights, and environmental crimes. This solution helps us to monitor, manage and mitigate third-party risks in our supply chain. We also conducted direct outreach to suppliers on select ESG-related topics, such as PFAS.

Formally embedding ESG in tools and processes

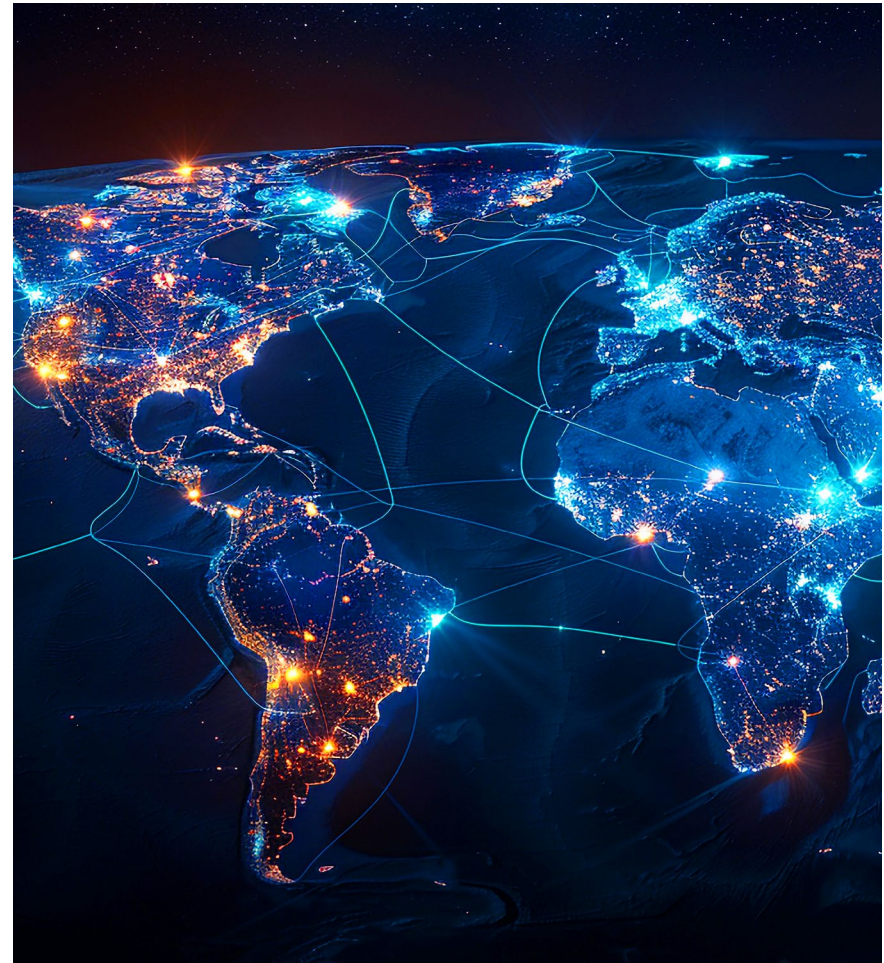
In addition, we incorporated ESG criteria into supplier selection and performance management tools such as supplier qualification tools and performance contracts. For example, in 2024 AGI's Logistics team conducted a segmentation exercise and performance evaluation of AGI's freight suppliers, in which ESG criteria were part of the assessment process. This exercise provided better visibility into the ESG-related practices implemented by freight suppliers. Finally, we integrated ESG into quarterly business review discussions with select suppliers and plan to continue to formalize this integration for all suppliers in 2025. Our Global Quality function also conducts audits of key suppliers which include environment, health and safety, and risk management criteria.

Compliance with Canada's Modern Slavery Legislation

In 2023, the Government of Canada passed Bill S-211, Canada's Modern Slavery Act. This requires AGI to provide a disclosure statement that covers the steps taken to address the risks of child and forced labour in our supply chains. Last year, AGI released our first Modern Slavery Statement for the 2023 fiscal year in alignment with these requirements. AGI's Modern Slavery Statement for 2023 can be found on our website [here](#). Over the course of 2024, we focused on ongoing compliance with the legislation and continued to drive forward internal initiatives. This involved expanding training and awareness-building activities including delivering a dedicated training session to over 70 Purchasing Managers and Plant Managers. We also refreshed our internal risk assessment based on 2024 suppliers and continued to assess and monitor AGI suppliers for modern slavery risks, leveraging a third-party monitoring platform. Our 2024 Modern Slavery Statement can be found [here](#).

Training and awareness building

In 2024, we continued to build awareness and understanding of sustainability-related topics among our Supply Chain and Procurement team members. This included delivering presentations on different ESG topics such as modern slavery and chemical compliance at Global Supply Chain Town Hall meetings, training on AGI's policies including AGI's Supplier Ethics Policy, and providing access to additional learning material.



Next steps

In 2025, we will continue to embed ESG criteria into supplier management tools, processes, and purchasing decisions. We will also continue to deliver region-specific training on ESG topics such as modern slavery. We also plan to provide a refresher training on business ethics to our key suppliers.



Data Governance & Security

Goal and target

To manage risks and create employee awareness related to data governance and security. Data governance and security includes cyber security, customer privacy, policies, and practices related to IT infrastructure.

The following target has been established:

- Achieve a 100% completion rate among employees for security awareness training.

Our approach

With our operations becoming more interconnected, and the pace of system and network sophistication increasing across the globe, AGI recognizes the need to properly protect the data, systems, and critical information technology (IT) infrastructure required to run our business. Just as personal safety is critical for AGI, so is the safeguarding of our information.

The Governance & Sustainability Committee of the Board annually reviews AGI's Enterprise Risk Management framework, which identifies, assesses, and reports on key risks, including those related to information technology and cyber security practices. Data governance and security risks are managed by our Global IT team, and led by our Lead Transformation Officer. Our Global IT team has the skills, capabilities, and experience to proactively identify priority areas and develop robust action plans to resolve any issues that arise. We also engage third parties for additional support. AGI has secured the services of an industry-leading Managed Security Service Provider (MSSP) to monitor and react to threats within the AGI IT environment. Our MSSP conducts annual penetration testing with quarterly retests. In addition, we also engage third-party support to increase the frequency of external and internal network scanning using a leading vulnerability scanning and management tool to proactively identify areas that require investigation.

In addition to formal responsibilities and oversight, we view the safeguarding of information as the responsibility of all AGI employees and contractors. With the trend of unwelcome individuals and groups targeting company email to access systems, we have implemented security awareness training programs to ensure the entire AGI workforce is educated on preventing potential threats. Phishing simulation emails are regularly distributed and customized to each user, with additional training provided to those who require it.

AGI has several IT policies in place to manage data and security risks facing the organization. These policies are accessible to all employees. Examples of IT policies include:

- AGI has a series of IT access policies that ensure the secure use of IT resources within the organization, including, but not limited to, a Network Access and Authentication Policy, a Remote Access Policy, and a Guest Network Access Policy.
- AGI's Incident Response Policy covers all cyber security incidents that may affect the security and integrity of AGI's technology environment (e.g., virus or malware infecting computers) and outlines steps to take in the event of such an incident.
- AGI's Acceptable Use Policy outlines AGI's rules and guidelines on the acceptable use of IT technologies including hardware, software, and systems, and includes a sub-section on data security and protecting confidential data.
- AGI's Privacy Policy explains AGI's privacy and security practices with respect to all personal information in the custody or control of AGI. AGI has a responsibility to protect and respect the privacy of personal information provided by its shareholders, customers, contractors, suppliers, business associates, and members of the public in accordance with applicable privacy laws. These policies are applicable and available to all employees on our internal AGI SharePoint site.
- AGI's Artificial Intelligence Policy outlines AGI's rules and guidelines for appropriate and safe use of artificial intelligence language models.

Over the last several years, we have overhauled the data backup process into a more sustainable and resilient solution, which will allow AGI to recover from any security incident faster and with more control than in previous years. We have a documented restore plan to prevent any IT system interruptions. We also conduct quarterly testing with Finance on a selected ERP system to verify data integrity. During the normal course of business, we review and audit backups to ensure backups are in fact being taken.



Our actions in 2024

Training and awareness

We continued to conduct phishing simulation tests with our employees and track our employees' phishing prone percentage, which is measured as the percentage of users' responses to IT's phishing tests. In addition to phishing simulations, ongoing IT security training and awareness courses on a range of topics were offered to all employees. These courses are offered on a quarterly basis and tailored to reflect the threat landscape. Examples of IT training courses offered include Data Privacy Basics, Data Protection, and Security Culture. We continue to identify ways to increase engagement and completion of security-related training.

Cyber security maturity assessment

Over the course of 2024, our Global IT team continued to make progress on several initiatives to increase AGI's preparedness and resiliency to data governance and security risks. This includes updating and formalizing IT policies, delivering security and awareness training, and enhancing AGI's preparedness for cyber security-related risks.

In 2024, AGI engaged an external partner to undertake a comprehensive cyber security maturity assessment. The assessment provided a holistic view of AGI's security posture, both overall and for each region. The outcomes of this assessment will not only inform AGI's security roadmap but also empower the organization to proactively address emerging cyber threats. By leveraging expert insights and cutting-edge methodologies, AGI aims to enhance its resilience against cyber risks, safeguarding critical assets and ensuring uninterrupted operations.

In October, AGI also participated in Cyber Security Awareness Month by making additional training courses on cyber security (e.g., phishing) available to AGI employees.

Next steps

In 2025, our IT function will continue to improve the consistent application of software-, hardware-, and IT-related policies across the global organization, as well as provide training and awareness to our organization on IT-related topics. Another priority will be implementing the recommendations from the cyber security maturity assessment. We are committed to continuous improvement and will periodically conduct cyber security assessments to evaluate our security posture and enhance our resilience to cyber security risks.



Compelling Solutions

We prioritize the following compelling solution topics:

- Product/Service Excellence
- Technology & Innovation
- Product User Safety

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

AGI strives to deliver best-in-class solutions to our customers and end-users. As a supplier of the world's food infrastructure, AGI contributes to reducing post-harvest losses and increasing food security through its equipment, solutions, and technologies. The safety of our customers is our top priority, and we strive to ensure our products drive safe outcomes for our customers and to equip customers with sufficient knowledge to operate our equipment safely. We are also identifying opportunities to reduce the environmental impact of our products, through improved design and technology.



Contributes to the following UN SDGs



Product/Service Excellence

Goal

To offer products and services that exceed customer expectations for quality, durability, and reliability.

Our approach

We strive to be the market leader from a quality standpoint in every market in which we operate. AGI's Global Product Management team has accountability and responsibility for product excellence, and focuses on strategic product road mapping, product development, and product rationalization.

We are continually increasing our internal research and development capabilities and improving our product development process so that we can be at the forefront of anticipating our customers' expectations for quality, reliability, and durability. To ensure we understand and can anticipate our customers' needs, we collect 'voice of customer' data for key regions and product segments.

AGI's Product Integrity program is a cornerstone of our manufacturing philosophy. It encompasses our manufacturing operations and products ensuring compliance with relevant governing bodies and standards across the globe. The program is focused on design and manufacturing integrity and comprises several key engineering policies, manuals, and procedures implemented in AGI facilities in the regions where we operate.

In addition to the impact our products have on global food security outcomes, we aim to develop and provide products that contribute to safety and environmental outcomes such as improved energy efficiency, and as a result, reduced greenhouse gas emissions. Several of AGI's products are designed with energy efficiency in mind, such as our Mixed Flow Grain Dryers and our portable handling equipment (e.g., augers) that can be powered with electric motors. We are constantly reviewing our designs to increase efficiency and reduce consumption of raw materials. We identify opportunities to consider the environmental aspects of our products during the research and development phase.

As well, we aim to extend the useful life of AGI products by supporting our customers with maintenance and repairs, including supplying spare parts so customers can maintain and extend the life of their products.

We conduct annual surveys to assess customer satisfaction and loyalty and gain strategic insight into areas where AGI exceeds expectations, areas for improvement, and whether customers are likely to recommend our products and services. This feedback allows us to adapt to our customers' needs and improve the overall customer experience. We have been tracking AGI's Net Promoter Score for AGI products and AGI as a company.



Our actions in 2024

Global Product Management

AGI's Global Product Management function continues to further AGI's efforts on strategic product road mapping, product development, and product rationalization by key product lines. In 2024, the function continued to consolidate design protocols for several products, the benefits of which can be used globally. This enables AGI to produce consistent products across multiple locations, reduce technical risk, reduce design expenses, and create manufacturing flexibility across our network. Other key areas of focus included consolidating global product data to reduce complexity, improving cost position and enhancing design and manufacturing to improve product quality, cost, and safety for customers.



Improving the environmental impact of our products

We are continuing to identify opportunities to use lower sources of emission technology and components in AGI equipment. Some examples include:

- AGI portable handling equipment such as our augers and conveyors can be powered with electric motors, using less energy than those powered by internal combustion engines.
- AGI's Mixed Flow Dryer technology supports farmers' energy-efficiency objectives and helps farmers get the most out of their crop. Compared to traditional grain dryers, AGI Mixed Flow Dryers do not use screens and require less effort to operate and maintain. With a gentler drying process, Mixed Flow Dryers use less fuel (natural gas or propane) to run than a traditional screen dryer and promote safety as there is a reduced risk of debris.
- AGI's fertilizer blending systems leverage smart controls to monitor timing of loadouts and blends.
- Where available and practical, AGI is moving towards more efficient drive systems for power-driven equipment that provides higher capacities at current horsepower to maintain current electrical grid requirements.

In addition, we have the following initiatives in place to support the efficiency and long-term sustainability of AGI products:

Seasonal maintenance program

We provide maintenance support and assess equipment to ensure systems operate as efficiently as intended, making recommendations where applicable.

Post-sale support

We provide AGI predictive maintenance services and after-sales support for select products to ensure long-term sustainment.

Modular and upgradable equipment

We are developing a new concept for permanent handling and food processing equipment that will allow customers to upgrade equipment rather than replacing entire systems.

Servicing parts and components

We provide parts and components to repair and extend the life of our products.



Quality management

AGI is committed to building the capabilities and skill set required to support quality management across AGI facilities and processes. This focus includes, but is not limited to, supporting facilities in obtaining and maintaining a quality management system (QMS) certification.

As of December 31, 2024, approximately 33% (9 of 27) of AGI manufacturing locations are QMS certified.

In 2024, four facilities in Canada renewed their International Organization for Standardization (ISO) 9001 certification for another three years until 2027. The certification was issued by Intertek and covers Winnipeg (St. Boniface) in Manitoba, Nobleford and Olds in Alberta and Corman Park in Saskatchewan.⁶

In the United States, our Clay Center facility in Kansas maintained its ISO 9001 certification. In addition, our Albion site is IAS AC472 accredited, a quality standard specifically for the pre-engineered metal building industry, and a member of the Metal Building Manufacturers Association which requires the IAS accreditation to maintain membership.

In Italy, the quality management systems at our facilities conform with the requirements of the ISO 9001 standard, issued by the Italian Certification Institute for Mechanics (ICIM), a leading certification body in Italy. In addition, the following certifications have been achieved in Italy:

- Our Fiesso facility is certified by ICIM in the comprehensive quality requirements of fusion welding of metallic materials (ISO 3834-2).
- Our Fiesso and Ozzano sites are certified by ICIM in structural product design (EN 1090-1 – CE marking for structure components in steel or aluminum).
- Our Este location also holds a Quality Assurance Notification (QAN) Certificate released by the Canadian Standards Association (CSA) in accordance with EN ISO-IEC 80079-34, which outlines the specific quality systems requirements for the management of explosion proof products.

In India, two of our production facilities achieved their ISO 9001 recertification in 2024. These certifications were issued by TÜV SÜD South Asia and are valid for three years, until 2027.

Last year, we continued to improve our process and reporting format by identifying root causes and corrective actions related to customer incidents reported. Our Global Quality Management function also supported the development and implementation of supply chain quality controls to prevent and mitigate vendor incidents including developing a sourcing process and providing related documentation. In addition, quality risks were identified and mitigation actions implemented as part of AGI's product transfer approach.

Going forward, we intend to implement the quality management system framework across AGI facilities and develop and implement additional quality tools and methods that improve the quality of our products.

Lean management

With over 170 trained [Six Sigma Green Belts](#) in North America and Brazil, our focus has shifted from certification to driving continuous improvement initiatives. We now track Green Belt-led projects, and the savings generated from lean practices. In 2024, we integrated lean initiatives into manufacturing strategies, piloted new methodologies, and implemented a Lean Daily Management System at a Canadian facility. We also trained our Sales Execution team in lean principles and held a cross-functional lean event focused on customer satisfaction.



Next steps

In addition to these quality and lean management efforts, we are identifying opportunities to consider environmental aspects during the product lifecycle including the research and development phase and are developing an approach to understand our product inventory's carbon footprint in line with industry guidance.

⁶ Includes relevant certifications for the 2024 calendar year. As of February 2025, AGI's production facility in Olds, Alberta has closed.



Technology & Innovation

Goal

To improve and upgrade our products and technologies to exceed customer requirements.

Our approach

At AGI we are committed to continued innovation across our product lines to deliver advanced technology, automation, functionality, and features that add value to our customers. Across our product lines, there are specific examples of product development completed and in progress focused on meeting and exceeding our customers' expectations. These include innovations relating to automation, remote management, improved energy efficiency, and reduced maintenance. We are also committed to innovation in our manufacturing facilities and processes and using technology that enhances the quality and durability of our products.



Our actions in 2024

Research and development

Last year, we developed and rolled out a governance structure and process for new product development as well as product transfers and product changes. We are currently testing this process with a select number of products prior to rolling it out globally.

There are several examples of research and development (R&D) activities that took place across AGI product lines in 2024:

- Expanded length options for 12" portable Double Run Conveyor**
 In response to customer demand, AGI is adding shorter length options (62', 72', 82', and 92') to the 12" x 130' portable Double Run Conveyor lineup, while keeping the 10,000 bushels per hour capacity. These new lengths use parts from existing conveyors, making them easier to integrate. A redesigned boot inlet and new cable lift components make construction simpler and reduce the effort needed to lift.
- Transitioned to 3D SolidWorks model for 18x8 Gentle Handling System**
 As part of an ongoing effort to transition Canadian 2D computer-aided designs to 3D where applicable across AGI's product portfolios, AGI transitioned the 18x8 Gentle Handling Bucket Elevator to a 3D model in SolidWorks, replacing old 2D prints. This update reduces confusion on the shop floor and allows for seamless production across multiple plants. The model is stored in a Product Data Management system for better revision control. The Gentle Handling system is ideal for handling feed pellets, roasted peanuts, and dried peas while minimizing damage to the commodity. Designed for continuous 24/7 operation, it supports capacities from 20 to 120 tonnes per hour (TPH) for both indoor and outdoor use.
- Enhanced fuel train for Grain Dryer to meet CE standards**
 The EU requires products sold in the EU to have a CE marking, indicating they meet safety, health, and environmental standards. In response to Denmark's adoption of CE standard EN 746-2 for grain dryers, AGI updated its fuel train design. Key improvements include gas pressure sensors, an overpressure valve, and a leak detection system. These updates are now standard on new dryers in Denmark, with about 10 retrofits completed. These changes enhance safety and comply with European regulations.

Innovations in manufacturing

We are investing in our manufacturing facilities around the globe to use the latest equipment and technologies in our production processes. In 2024, we made investments in new advanced automation equipment that enhances efficiency such as a submerged arc welder, plasma tables, and laser-cutting machines, among others, across select global facilities. Investments in innovative and advanced automation equipment will enable us to continue to meet our customers' needs and expectations for quality, reliable solutions.

Supporting farmers with technology

AGI continued to support farmers in reducing their greenhouse gas emissions by providing technology to measure their environmental impact. The next pages include more details on this support and highlight a few key partnerships AGI's Digital team was involved in during 2024.



Next steps

In 2025 and beyond, we have identified opportunities for continued innovation across our product lines and in our manufacturing processes, with several R&D projects in progress or planned. We intend to continue testing our new product development process and, based off feedback and lessons learned, adjust each process prior to rolling it out globally.



AGI Digital

AGI's Digital products include farm and commercial technology solutions to collect and monitor on-farm and grain-bin data, and monitor hazardous work environments. These products and solutions contribute to a range of producer and customer sustainability outcomes including safety, reduced food loss, reduced GHG emissions, and other environmental benefits.

Digital sensor technologies to protect food products

AGI provides hazard monitoring and grain storage management systems built around advanced digital technology to improve efficiency and safety in commercial operations. AGI hazard monitoring systems and sensors help processors and millers prevent food loss by monitoring safety and quality conditions across their stored commodities and operations.

On-farm field and grain bin monitoring

AGI provides leading-edge, data-driven technologies that let farmers and agri-business leaders collect consistent, at-scale data to validate field-to-bin crop activity and monitor, protect, and improve the quality of stored grain. These products enable the achievement of on-farm sustainability outcomes.

AGI's Farmobile PUC device passively collects and normalizes field-level agronomic and machine data across a mixed fleet. This technology enables farmers to validate land stewardship and sustainable farming practices and qualify for new markets.

The AGI BinManager solution provides real-time grain-bin monitoring in the palm of a user's hand. This gives farmers visibility into stored grains and helps protect grain quality to prevent grain loss. It also provides in-bin grain aeration, temperature, and moisture controls and conditioning.

AGI's SureTrack online software platform supports bin monitoring including measuring temperature, humidity, static pressure, and automating fan activity. It also provides farm management capabilities and automation of fan activity.

AGI technology combines soil, environmental, and geographic data to track the impact of agricultural practices on environmental outcomes such as production efficiency, soil quality and carbon sequestration, greenhouse gas emissions, water quality, and other biodiversity outcomes.



Climate-smart agriculture partnerships

In 2024, AGI was involved in several key partnerships to help support the adoption and verification of climate-smart practices to drive farm-level sustainability outcomes.

In the United States, AGI was a key partner in four US Department of Agriculture (USDA) grants under their Partnerships for Climate-Smart Commodities program. The grants accelerate the adoption of sustainable, climate-smart agricultural practices and support growers in fulfilling measurement, reporting, and verification (MRV) of project outcomes.

In 2024, AGI supported partners on key projects including:

- **America's Conservation Ag Movement** Trust in Food Climate-Smart Connected Ag Project aims to accelerate the adoption of data management to support farmers in reducing greenhouse gas emissions.
- **Edge Dairy** Farmer-led Climate Smart Commodities Initiative aims to establish dairy as a climate-smart commodity and provide tools to understand the environmental impact of adopting climate-smart agricultural practices.
- **Sustainable Oils** Climate-Smart Camelina Project aims to accelerate farmer adoption of camelina for renewable biofuel production.
- **Gevo Inc.** Climate-Smart Farm-to-Flight Project tracks the impact of adopting climate-smart agricultural practices on carbon intensity, accelerating the adoption of sustainable aviation fuel.
- AGI is also member of the **Ecosystem Services Market Consortium** and has a partnership with **General Mills on the Eco-Harvest market program** for which AGI provides producers with technology solutions and technical support to adopt sustainable practices and generate verifiable data.

AGI supported these projects by:

- Providing access to market-leading digital hardware (Farmobile PUC, BinManager) and software (SureTrack, Farmobile DataEngine);
- Supporting with data collection/tracking, measurement, and analysis for farmers needing to fulfill MRV requirements; and,
- Providing technical support to guide the adoption of best practices and documentation of lessons learned.



AGI hardware and software for field and bin-level monitoring helps support the adoption and verification of climate-smart practices to drive farm-level sustainability outcomes including reducing on-farm emissions. These climate-smart practices may include cover cropping, nutrient management, and reduced or no tilling, among others.⁷



Cover cropping

- Planting additional crops primarily to improve soil health rather than for harvesting.
- Benefits:** Cover cropping can reduce soil erosion, increase soil carbon sequestration, and enhance biodiversity.



Reduced or no tillage

- Growing crops with minimal soil disturbance by using limited or no tillage practice.
- Benefits:** This practice can improve soil health, increase carbon sequestration, and reduce fuel and labour costs for farmers.



Nutrient management

- The management of nutrients and soil to maximize crop yields and reduce environmental impacts.
- Benefits:** Proper nutrient management can improve soil health and water quality, reduce GHG emissions, and lower fertilizer costs.



Supporting US agricultural producers' adoption of regenerative practices and generating verifiable data to support General Mills' sustainability goals

Lead partners: Ecosystem Services Market Consortium (ESMC) and General Mills

Project description: The ESMC's Eco-Harvest program assists US and Canadian agricultural producers in adopting and measuring regenerative practices such as cover cropping and reduced tillage. It rewards producers for beneficial environmental outcomes such as reduced greenhouse gases and improved water quality. General Mills is a key partner, focusing on scaling the program and rewarding farmers for their quantified impact, supporting their regenerative agriculture goals and 2030 commitments.

AGI's role: AGI has been supporting US wheat producers in Kansas by providing access to technology, training, and data collection to verify their adoption of practices and quantify environmental outcomes. Data collected is transferred to ESMC's MRV platform to support General Mills' sustainability goals. AGI's role includes:

- Supporting producer identification, enrollment, and engagement
- Supplying hardware (AGI's Farmobile PUC) and software, delivering technical assistance, and leading data collection and analysis
- Collaborating with program partners to validate and verify the ESMC process and outcomes

Preliminary outcomes: The project recently completed a year of data capture and delivery with the following outputs:

- Area covered: AGI managed approximately 57,000 acres in 2024, up from 36,000 acres in 2023
- Number of Farmobile PUC devices supplied in 2024: 43

Despite challenges faced in 2024 such as drought in the Midwest, farmers are adopting regenerative practices, supplying wheat to General Mills, and being rewarded through the sale of carbon credits. Long-term outcomes include soil carbon sequestration, reduced greenhouse gas emissions, improved water quality, and other biodiversity benefits.



⁷ Natural Climate Solutions for Canada Report, United States Department of Agriculture



Product User Safety

Goal

To offer products and services that exceed customer expectations on health and safety.

Our approach

Without exception, the safety of our employees and our customers is our top priority, and we continue to offer products and services that lead the market in this area. AGI's products directly contribute to positive safety outcomes for our customers. The AGI Digital product line, including AGI's grain-bin and machine monitoring technologies, supports the safety of our customers by minimizing required entry to the bin. AGI's BinManager product allows farmers full visibility and monitoring of stored grain from a mobile device, avoiding the need for physical bin entry, and provides remote visibility to grain conditions including automated alerts, remote control of aeration equipment, and automated in-bin conditioning capabilities. AGI hazard monitoring systems also continuously monitor hazardous work environments that may lead to fires, explosions, or other safety-related incidents by detecting shaft speed, bearing temperature, belt misalignment, vibration, and grain bin temperature.

Across all our products, managerial responsibility for product user safety resides collectively with our Global Product Management function, Vice-President of Global Engineering, and Vice-President of Sales Execution, and is overseen by our Executive Vice-President of Global Operations. Our Global Product Management function is responsible for maintaining the integrity of products and standardizing engineering design processes across all portfolios globally. Our Global Engineering function, responsible for providing the standards and guidance for all engineers within AGI, includes our Product Safety and Compliance and Technical Publications teams who develop effective and easy-to-understand user content. Regional leadership also holds the responsibility to ensure technical risks are recognized and identified and must escalate these risks to Global Engineering and Global Product Management. Our Sales Execution team is responsible for developing design proposals for products that meet the functionality required by our customers and operate safely.

AGI has a formal Product Safety and Compliance Program to ensure we meet the standards and regulations for the markets in which AGI products are sold and used. The program involves documenting best practices and developing product guidelines focused on user safety including relevant technical information. Areas documented include incident investigations, risk assessments, compliance assessments, and consistency improvements. This includes several policies and guidelines to ensure product safety such as (but not limited to) Product Incident Reporting Guidelines and Product Recall Guidelines.

We are continuously reviewing our product lines for product safety risks. Product hazard and risk assessments are completed for AGI product lines to help protect users and provide better equipment. As part of application-specific engineering and structural design requirements, product safety risks are identified and addressed. In addition, at the opportunity stage, a Technical Risk Assessment is completed to assign an initial risk level based off the AGI product being sold and the commodity type (product commodity risk). If the risk level is above a certain threshold, the opportunity must be submitted through the Technical Risk Review Process and must be approved by Global Engineering before quoting. A Technical Risk Summary and Plan must also be completed for projects that meet certain risk criteria. The full risk evaluation is completed by the VP of Global Engineering and reviewed with the Leadership Team.

We take seriously our responsibility to educate AGI customers on the best practices in using our equipment and regularly conduct employee and customer training on product safety. Safety is a priority in all our customer training and for AGI as a company. Investing in product safety training and awareness opportunities supports our customers' safety and is an additional value that we as an equipment supplier can bring to our customers. For example, we routinely offer safety courses and seminars for farmers and builders at several agricultural industry trade shows and conventions in North America, focused on best practices for safe bin building and measures to prevent grain engulfment. These courses are offered for free to any interested participants, leading to being an AGI-certified bin builder.



Our actions in 2024

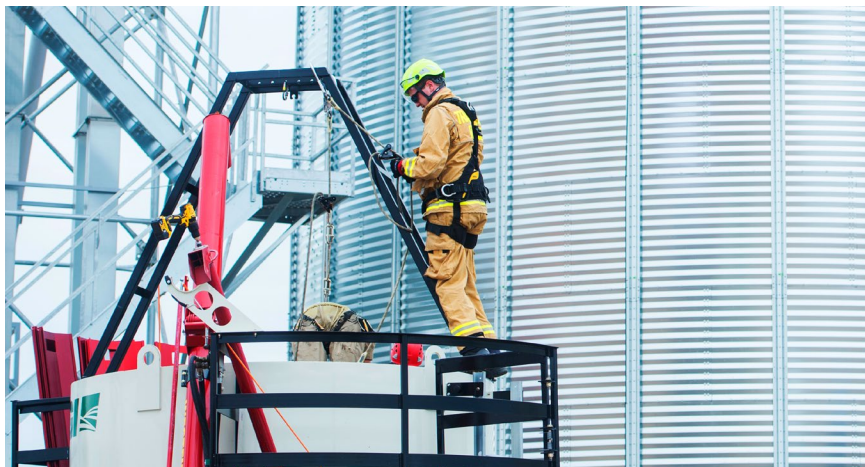
Risk assessments

In 2024, we continued our review and documentation of potential product safety risks and risk reduction methods used and evaluated opportunities for safety improvements across AGI's current product catalogue. AGI's Product Hazard and Risk Assessment is used to document potential product safety issues that could occur from use, situations of reasonably foreseeable misuse, and how those risks have been reduced to an acceptable level. Product safety risks are those that can occur from operator interaction with the product or those that could result from a product failure. This risk assessment document may also be used to evaluate situations related to product reliability and risks limited to equipment damage or failure. To date, we have completed over 20 product safety risk assessments for different product lines (e.g., augers, bucket elevators). Going forward, we intend to focus our efforts on reviewing and enhancing existing product safety risk assessments and addressing any gaps.

Product manuals

AGI products, when sold, are accompanied by a product manual with key safety guidance for our customers, to help improve the safe use of AGI products. These manuals include emergency procedures and guidelines for AGI products (e.g., emergency shutdown and restart), and are based on industry guidelines and best practices.

In 2024, we launched a new product operator manual format that is being used to enhance clarity and conciseness. In 2025, we are working on extending improvements in the development of new assembly manuals with highly simplified illustrations and wording to improve customer success. A key priority in 2024 was to review, update, and enhance select key product manuals using this template and increase the accessibility of product safety information for our customers on our website. Going forward, all new product manuals will be developed using this new format.



Product compliance

In collaboration with AGI's Global Supply Chain function, our Product Safety and Compliance team is developing processes and collecting product compliance-related information required under the European Union's Restriction of Hazardous Substances Directive and Registration, Evaluation, Authorization, and Restriction of Chemicals Regulation, and per- and polyfluoroalkyl substances regulation in Canada and the United States. A key focus for 2024 was on building awareness among internal teams and suppliers and on collecting required information from suppliers.

AGI obtains external product certifications for its products when necessary. These certifications often require external verification to ensure compliance with specific standards. Here are some examples:

- **Canadian Standards Association (CSA):** CSA certification is required for AGI products such as fans, heaters, and dryers. It involves external verification to ensure the products meet Canadian safety standards.
- **EU ATEX Certification:** This certification is necessary for products placed on the European market. It involves verifying the design of the product against a series of standards, including safety requirements.
- **US Federal Communications Commission (FCC):** Products must meet the safety requirements set by the FCC. This certification ensures that AGI products comply with US regulations related to communication and electronic devices.

These certifications help ensure that AGI's products are safe, reliable, and compliant with relevant regulations. We track compliance against relevant standards for all product lines annually.



Incident investigation and reporting

To monitor performance on product safety, we developed a product incident reporting application to monitor incidents and product safety performance. This is accompanied by a detailed product incident investigation operating procedure. The application was rolled out in 2024, and we continue to track the number of incidents reported and investigations conducted. For any incidents reported, corrective actions will be identified.

Standards development and external committee participation

AGI is involved in product safety standards development including in Canada, US, and internationally. Examples:

- AGI is a member of the product safety committee of the Association of Equipment Manufacturers.
- AGI supports the Canadian Agricultural Safety Association's Canadian Agricultural Safety Week.
- AGI participates in the International Standards Organization Technical Committee (ISO/TC) 293, a technical committee established to develop international standards, including safety, for stationary feed machinery.
- AGI is also a member of the US National Fire Protection Association's Technical Committee for Agricultural Dusts.

Training and awareness

Our teams are always working together to ensure our customers have safer and more reliable working conditions. In 2024, we offered internal and external training and awareness sessions on product safety including on hazard monitoring, grain bin safety, the customer service team's role in product safety, and chemical compliance. We also engaged with our customers on the topic of product safety through industry trade shows. The following are a few examples:

Improved industry awareness about hazard monitoring

- We conducted internal seminars on hazard monitoring, focused on enhancing safety in hazardous dust environments, the importance of hazard monitoring equipment at grain elevator sites, and relevant standards. Teams across AGI joined to deepen their understanding of hazardous dust atmospheres, associated risks, and the AGI solutions designed to mitigate them. The session also covered key policies and regulations to improve compliance at customer sites. Approximately 70 AGI employees participated in the training. With this training, AGI is better equipped to advise our customers on potential hazards that could occur and how to prevent them.
- AGI also trains customers on hazard monitoring systems. One example is Agtegra, an agricultural cooperative owned by over 6,700 farmers and ranchers in North and South Dakota. In 2024, AGI participated in a multi-day safety event at its learning centre to educate staff from its 70-location network. During small group sessions, AGI showed how its CMC sensors monitor temperature and shaft rotation providing an immediate warning and, if needed, machinery shutdown, to protect plant operators and operations.
- We trained and certified 51 technicians in five installation firms as part of our Certified Partner Network Initiative for hazard monitoring systems. We also held four training sessions for our end-user operators, with three more sessions scheduled for the spring of 2025. This initiative aims to empower customers to handle troubleshooting and repairs in-house and provide a list of certified installation companies to support installation and maintenance. The training is offered in three tiers:
 - **Tier 1:** operator and maintenance training
 - **Tier 2:** installation best practices and advanced troubleshooting
 - **Tier 3:** system audits and commissioning including inspection and testing of new and existing systems

Improved industry awareness on proper and safe grain storage and handling

- AGI is a strong advocate of farm-to-processor safety. We encourage all farmers to prioritize safety during every aspect of harvest – from combining to handling, storing, and conditioning grain on the farm to transporting commodities to market. In 2024, AGI sponsored a grain entrapment trailer by one of our customers, Central Valley Ag, to train local fire station personnel and raise awareness about grain bin risks.
- AGI's Grain Training Academy delivered five grain training sessions in 2024, providing over 25 grain professionals with comprehensive classroom learning and on-site training, focusing on grain storage and handling fundamentals, best practices, and innovation. See the next pages for additional details.



Empowering the grain community with the latest storage and handling knowledge

As part of our continued commitment to empowering the customer with the latest storage and handling knowledge, AGI EMEA's Grain Training Academy expanded its training offerings in 2024. Established in 2022, the academy is designed to empower our customers with the skills and insights needed to optimize the operation and management of their grain storage facilities and ensure safety in their day-to-day operations.

In 2024, the academy conducted its third annual Fundamentals of Grain Storage and Handling training in Fochville, South Africa. In addition, this multi-day training was expanded to clients in other regions including in Swellendam, South Africa and Namibia. AGI also hosted a session at our manufacturing facility in Italy, providing participants the opportunity to do a walkthrough of our facility and observe on-site demonstrations of our storage and handling systems.

In total, five grain training sessions were conducted over the course of the year, providing over 25 grain professionals with comprehensive classroom learning and on-site training, focusing on grain storage and handling fundamentals, best practices, and innovation. Examples of customers that took part in the training in 2024 include Namibia's Agro-Marketing & Trade Agency, Livestock Feed Ltd. in Mauritius, and Selko, a brand of Trouw Nutrition in the Netherlands. The training content was developed and facilitated by AGI grain experts.

The training aims to improve participants' awareness of:

- **Grain preservation:** Understanding the importance and requirements for successful grain storage
- **Equipment maintenance:** The required and expected maintenance of all components in a silo storage and handling complex
- **Grain quality:** Ensuring and improving grain quality through proper handling, cleaning, drying, conditioning, storing, and blending
- **Safety and risks:** Recognizing risks, following safety requirements and procedures (e.g., lock out and tag out, hot work permits, working at heights) and preventing hazards (e.g., the dangers and prevention of engulfment)

Since the training academy was created, a total of eight formal training sessions have been delivered. In future years, AGI plans to expand the grain fundamentals training to more customers and continues to develop new training materials including installation procedures and sales training for AGI agents and dealers.



Next steps

In 2025, we intend to continue to focus on conducting and enhancing product risk assessments and improving the safety of our products. Additionally, we will improve templates for product manuals, deliver training, and enhance the accessibility of product-related safety information for our customers. We will continue to monitor evolving product chemical compliance regulations globally and develop standard processes to collect and store part-level information. AGI will also be participating in key industry forums, including the Association of Equipment Manufacturers' Product Safety and Stewardship Conference on the topic of product safety risk assessments. In addition, through our involvement and commitment to international safety standards, AGI is also organizing the upcoming Plenary Meeting for the ISO/TC 293 Feed Machinery in Toronto in October 2025.



ESG Data Summary

The following table summarizes key annual performance data across AGI's material topics, where available. AGI will continue to review and adjust the indicators as necessary based on the appropriateness and relevance of the indicators to AGI's sustainability strategy and in line with evolving ESG disclosure standards.

| Topic | Indicator and Unit | Target (If available) | 2024 | 2023 | 2022 | 2021 | Progress ⁸ |
|-------------------------------|---|-----------------------|---------------------------------|-----------------------------------|---------------------------|---------------|-----------------------|
| Worker Health and Safety | Total Recordable Incident Rate | --- | 1.27 | 2.48 | 4.35 | 6.35 | + |
| | Lost Time Incident Rate | --- | 0.27 | 0.50 | 0.69 | 1.08 | + |
| | Total Near Miss, Hazard Fixes, and Property Damage Reports | --- | 9,710 | 4,900 | 743 | 335 | + |
| | Fatality Rate | 0 | 0 | 0 | 0 | 0 | + |
| Inclusion | Percentage of Employees That Have Completed Unconscious Bias Training | 100% | 96% (all employees globally) | 75% (Director-level employees) | 100% (Leadership Team) | N/A | + |
| Energy Use & Management | Total Energy Consumption (GJ) ⁹ | --- | 462,835 | 490,062 | 434,179 | 402,006 | — |
| | Energy Intensity (Energy Consumed per \$1,000 in Revenue by Year) | --- | 0.3295 | 0.3210 | 0.2978 | 0.3354 | + |
| | Percentage Grid Electricity | --- | 26.9% | 27.5% | 28.7% | 32.9% | — |
| | Percentage Renewable Energy | --- | 6.09% | Not available | Not available | Not available | Not applicable |
| Water Efficiency & Management | Total Water Consumption (cubic metres) ¹⁰ | --- | 83,542 | 90,980 | 82,718 | 78,048 | + |
| | Water Intensity (Water Consumed per \$1,000 in Revenue by Year) | --- | 0.0595 | 0.0596 | 0.0567 | 0.0651 | + |
| | Recycled Water (%) | --- | 8.66 | 8.53 | 8.46 | 4.18 | + |

⁸ This column represents the trend in year-over-year progress between 2021 and 2024.

⁹ We have improved our measurement methodology for calculating total energy consumption and, as a result, we have restated annual energy consumption and energy intensity figures for the calendar years 2021, 2022 and 2023.

¹⁰ We have improved our measurement methodology for calculating total water consumption and, as a result, we have restated annual water consumption, water intensity and water recycling index figures for the calendar years 2021, 2022 and 2023.

| Topic | Indicator and Unit | Target (If available) | 2024 | 2023 | 2022 | 2021 | Progress ⁸ |
|---|---|--|-----------------------------|-------------------------|-------------------------|----------------|--|
| GHG Emissions | Total Scope 1 Emissions (tonnes of CO ₂ equivalent) | --- | 20,316 | 20,142 | 19,287 | 19,409 | — (See positive trend in GHG Emissions Intensity indicator) |
| | Total Scope 2 GHG Emissions (tonnes of CO ₂ equivalent) | --- | 11,181 | 11,889 | 12,121 | 12,739 | + |
| | Total Scope 1 and 2 GHG Emissions (tonnes of CO ₂ equivalent) | --- | 31,497 | 32,032 | 31,408 | 32,148 | + |
| | Total GHG Emissions Intensity (Scope 1 and 2 GHG Emissions per \$1,000 in Revenue by Year) | 25% reduction in Scope 1 and 2 GHG emissions intensity in 2030, relative to 2021 | 0.0224 | 0.0210 | 0.0215 | 0.0268 | + |
| Governance, Organizational Effectiveness, and Employee Skilling | Number of Independent Board Members | --- | 7 | 9 | 8 | 7 | Not applicable |
| | Employee Engagement Survey Participation Rate | >80% | Not applicable | 63% | Not applicable | Not applicable | Next survey planned for fall 2025 |
| | Employee Engagement Score | >80% | Not applicable | 89% | Not applicable | Not applicable | Next survey planned for fall 2025 |
| | Total Workforce Composition | --- | 4,139 | 4,996 | 4,987 | 4,258 | Not applicable |
| Ethical Conduct | Annual Employee Ethics Confirmation Completion ¹¹ | 100% | 100% | Not available | Not available | Not available | + |
| | Anonymous and Confidential Reporting Mechanism Established (Y/N) | Yes | Y | Y | Y | Y | Not applicable |
| Legal Risk Management | Anti-Bribery and Anti-Corruption Training Completion ¹¹ | 100% | Future metric to be tracked | | | | Not applicable |
| Responsible Supply Chain | Supplier Ethics Policy Established (Y/N) | Yes | Y | Y | Y | N | + |
| Product & Service Excellence | Percentage of Manufacturing Facilities Covered by a Quality Management System Certification | --- | 33% (9 of 27 plants) | 23% (7 of 30 plants) | 16% (5 of 31 plants) | Not available | + |
| Product User Safety | Number of Training/Awareness Sessions (Internal or External) Delivered on Product Safety | --- | 11 | 10 | 3 | Not available | + |

⁸ This column represents the trend in year-over-year progress between 2021 and 2024.

¹¹ Completion rates are tracked for applicable employee groups.

Appendix



Advisories

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

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

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

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

This document includes market, industry, and economic data which was obtained from various publicly available sources and other sources believed by AGI to be true. Although AGI believes it to be reliable, it has not independently verified any of the data from third-party sources referred to in this document or analyzed or verified the underlying reports relied upon or referred to by such sources or ascertained the underlying economic and other assumptions relied upon by such sources. AGI believes that its market, industry, and economic data is accurate and that its estimates and assumptions are reasonable, but there can be no assurance as to the accuracy or completeness thereof. The accuracy and completeness of the market, industry, and economic data used throughout this document are not guaranteed and AGI makes no representation as to the accuracy of such information.

This document contains certain forward-looking information – that is, information related to future, not past, events and circumstances – which may relate to our strategies, focus, goals, ambitions, aims, targets, plans, objectives, operations, results and financial performance. The use of any of the words “target”, “goal”, “expect”, “anticipate”, “continue”, “estimate”, “objective”, “ongoing”, “may”, “will”, “project”, “should”, “believe”, “plans”, “intends”, “potential”, and similar expressions are intended to identify this forward-looking information.



Forward-looking information involves risk and uncertainty because it relates to events and depends on circumstances that will or may occur in the future and are outside of our control. Statements containing forward-looking information are only predictions. Actual results or outcomes may differ from those expressed in such statements. Although we believe that the expectations reflected in the forward-looking information are reasonable, we cannot guarantee future results, levels of activity, performance, or achievement since such expectations are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause our actual results to differ materially from those expressed or implied in any forward-looking information contained in this document.

More particularly and without limitation, this document contains forward-looking information regarding the following: AGI's business plans, objectives, priorities and strategy; that AGI is in a unique position to support resilient food systems, sustainable agriculture and climate action; AGI's target of reducing our Scope 1 and 2 GHG emissions by 25% by 2030 as against our 2021 baseline; expectations with respect to improving our energy efficiency and reduction of our GHG emissions based on investments in certain technologies and the closure and consolidation of certain of our facilities; AGI's primary focus areas under our sustainability framework (being people-well being, sustainable manufacturing, responsible conduct and compelling solutions) and the applicable goals and targets related thereto; our anticipated next steps with respect to people-well being, including that in 2025 we will continue to drive hazard and near miss reporting and develop safety targets for all plants; our expectation that our enhanced programs and processes regarding inclusion will help us to recruit and retain the best possible talent; our anticipated next steps with respect to inclusion, including applicable training to be offered in 2025, our plans to measure the effectiveness of such training, and our intention to conduct a pay equity analysis starting in North America; our expectations to continue to identify and evaluate opportunities to reduce energy consumption from our operations and that certain innovations in manufacturing will result in improvements in AGI's energy use and ultimately AGI's emissions; the potential expanded use of renewable energy such as solar in AGI's operations; our intention to formally incorporate energy-related investments commencing with capital budgets for 2025; our anticipated next steps with respect to the reduction of GHG emissions, including that we intend to develop a detailed decarbonization plan that will guide our efforts and initiatives in 2025 and beyond, and that we roll out select initiatives including a fuel card program across North America; our goal to track and minimize water consumption and manage water discharge and identify further opportunities and initiatives to reduce our water consumption, enhance water recycling, and build awareness on water use; our goals and targets with respect to governance, organizational effectiveness and employee skilling, including targets for our Employee Engagement Survey Participation Rate and Employee Engagement Score; our anticipated expansion of employee training opportunities; our goal to empower our workforce with policies and resources to ensure ethical business practices; our expected next steps with respect to ethical conduct; our goals and expected next steps with respect to legal risk management; our goal to develop supply chain infrastructure to ensure continuity without business interruptions; our expected next steps with respect to supply chain continuity, including standardizing global and regional processes, broadening training for employees, and deploying AGI's centralized ERP system; our goal to manage risks in AGI's supply chain related to our suppliers; future engagement with suppliers, assessment of applicable supplier risks and our intention to track supplier ESG performance; our goals and targets regarding data security and governance and applicable anticipated

next steps, including our aim to enhance resilience against cyber risks, safeguard critical assets and ensure uninterrupted operations by engaging with third-party experts; our goal to offer products and services that exceed customer expectations for quality, durability, and reliability; our intention to identify ways to reduce use-phase energy consumption and the carbon footprint from our existing and new products; our goal to improve and upgrade our products and technologies to exceed customer requirements; our anticipated next steps with respect to technology and innovation, including planned R&D projects and opportunities for innovation in manufacturing; expectations regarding AGI Digital and applicable partnerships with third parties; goals for product safety, including our plans to enhance product manuals, increase accessibility of product safety information for our customers, and offer internal/external training and awareness sessions on product safety; the climate-related risks, applicable potential financial impacts and mitigation approaches as described in our 2024 TCFD report; the climate related opportunities and the applicable potential benefits to be derived therefrom as described in our 2024 TCFD report; various matters described in our 2024 SASB Index, including our development of methodologies to calculate the fuel efficiency and emissions of AGI augers and conveyors and that we are standardizing a process to track revenue from remanufactured products and services; and our proposed future sustainability programs, practices, initiatives, strategies, goals, plans and reporting and the impact and timing thereof.

Forward-looking information is based on a number of factors and assumptions which have been used to develop such information but which may prove to be incorrect. In addition to other factors and assumptions which may be identified in this document, assumptions have been made regarding and are implicit in, among other things: our ability to continue to implement and the success of our sustainability programs, practices, initiatives and plans, the timing thereof and the impact on AGI achieving its goals and targets relating thereto; our ability to improve the energy intensity of our manufacturing operations; our ability to manage and reduce our energy consumption; our ability to reduce our water consumption and achieve our other goals in respect of water use; our ability to reduce GHG emissions and GHG emissions intensity; our ability to execute our risk management strategies; the availability of the capital, labour and services required to successfully implement our sustainability programs, practices, initiatives and plans on the timetable anticipated and to achieve our related goals; the cost to implement and maintain our sustainability programs, practices, initiatives and plans; our ability to successfully partner with third parties to implement our sustainability programs, practices, initiatives and plans, as applicable; the availability of renewable energy such as solar in the areas that we operate; our ability to successfully implement, employee training and other people-well being related programs, practices, initiatives and plans; our ability to engage with our suppliers and address applicable ESG related risks in our supply chain; our ability to successfully advance and/or implement technology and innovation into our operations; our ability to engage with our customers with respect to product user safety; matters relating to the climate-related risks and opportunities as disclosed in our 2024 TCFD report, including the time horizon for such risks and opportunities materializing, our ability to mitigate such risks and realize such opportunities, and their applicable impacts on AGI; the sufficiency of budgeted capital expenditures in carrying out planned sustainability activities; the general stability of the economic and regulatory environment in which AGI operates; the timely receipt of any required regulatory and third-party approvals; and the ability of AGI to successfully market its sustainability linked products and services.

Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which have been used. Although AGI believes that the expectations and assumptions on which the forward-looking information are based are reasonable, undue reliance should not be placed on the forward-looking information because AGI can give no assurance that they will prove to be correct. Since forward-looking information addresses future events and conditions, by its very nature it involves inherent risks and uncertainties, most of which are beyond our control. Actual results could differ materially from those currently anticipated due to a number of risks and uncertainties.

These risks and uncertainties include, but are not limited to: the risk that we are unable to implement our sustainability programs, practices, initiatives, and plans in part or in full and/or on the anticipated timetable and/or that they are not successful in accomplishing our sustainability goals; the risk that we are unable to improve the energy intensity of our manufacturing operations materially or at all; the risk that we are unable to reduce our energy consumption materially or at all; the risk that we are unable to reduce our water consumption materially or at all and/or achieve our other goals in respect of water use; the risk that we are unable to reduce GHG emissions and/or GHG emissions intensity materially or at all; the risk that we are unable to execute our risk management strategies; the risk that the capital, labour and/or services required to successfully implement our sustainability programs, practices, initiatives, and plans are not available in part or at all and that as a result we are unable to achieve our sustainability goals on the anticipated timetable or at all; the risk that the cost to implement and maintain our sustainability programs, practices, initiatives, and plans is higher than currently anticipated or subsequently increases such that the implementation and/or maintenance of one or more of such sustainability programs, practices, initiatives, and plans becomes uneconomic; the risk that we determine to allocate our financial, managerial and/or operational resources to priorities other than the achievement of our sustainability goals due to factors outside of our control or otherwise, including due to a deterioration in general economic conditions, a deterioration in AGI's financial position and/or performance, the onset (or continuance) of a global pandemic, or that AGI incurs material financial liabilities as a result of remediation costs and/or equipment rework and/or litigation; the risk that we may not be able to successfully partner with third parties to implement our sustainability programs, practices, initiatives, and plans, as applicable; the risk that suitable sources of renewable energy such as solar may not be available in certain areas in which we operate or at all; the risk that climate-related opportunities as disclosed in our 2024 TCFD report do not materialize as anticipated or at all; and the risk that we may not be able to successfully mitigate the climate-related risks as disclosed in our 2024 TCFD report and/or that the impact of such climate-related risks is greater than anticipated; general economic and business conditions and changes in international, national, and local macroeconomic and business conditions, as well as sociopolitical conditions in certain local or regional markets, any of which impedes our ability to pursue or achieve our sustainability plans or goals; actions taken by governmental authorities, including increases in taxes or changes in government regulations and/or incentive programs, any of which impedes our ability to pursue or achieve our sustainability plans or goals; dependence on suppliers, including with respect to addressing ESG-related risks in our supply chain.

These and other factors, assumptions, risks, and uncertainties that could influence actual results are described in more detail in AGI's most recently filed annual information form (the "AIF") and annual and quarterly financial statements, management's discussion and analysis

(collectively, the "MD&As"), and other documents we file from time to time with securities regulatory authorities. The AIF, financial statements, MD&As and other documents we file from time to time can be accessed on our website at www.aggrowth.com or under AGI's profile on SEDAR+ at www.sedarplus.ca.

We have included the above summary of assumptions and risks related to forward-looking information provided in this document in order to provide readers with an understanding of our future operations and such information may not be appropriate for other purposes. Readers are cautioned that the foregoing lists of factors are not exhaustive. This forward-looking information is made as of the date of this document and AGI disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws. The forward-looking information contained in this document is expressly qualified by this cautionary statement.



Glossary of Terms

| | |
|--------------------------|--|
| AEM | Association of Equipment Manufacturers |
| APAC | Asia-Pacific |
| ASMS | AGI Safety Management System |
| B | Billion |
| Board | Board of Directors of AGI |
| BPH | Bushels per hour |
| C\$ OR \$ | Canadian dollars |
| CO₂ | Carbon dioxide |
| CH₄ | Methane |
| DOT | United States Department of Transportation |
| EAF | Electric arc furnace |
| EHS | Environmental Health and Safety |
| EMEA | Europe, Middle East and Africa |
| ESG | Environmental, social and governance |
| ESMC | Ecosystem Services Market Consortium |
| ERP | Enterprise resource planning |
| EU | European Union |
| GHG | Greenhouse gas |
| GJ | Gigajoules |
| G&S Committee | The Governance & Sustainability Committee of the Board |
| HR | Human resources |
| HRIS | Human resources information system |
| ICIM | Italian Certification Institute for Mechanics |
| ISO | International Organization for Standardization |
| IT | Information technology |
| LTI | Lost Time Incident |
| M | Million |

| | |
|------------------------------|---|
| MSCI | Morgan Stanley Capital International |
| MSSP | Managed Security Service Provider |
| MT | Metric tonne |
| MWh | Megawatt-hour |
| m³ | Cubic meter |
| N₂O | Nitrous oxide |
| OSHA | United States Occupational Safety and Health Administration |
| PPE | Personal Protective Equipment |
| QMS | Quality management system |
| R&D | Research and development |
| SASB | Sustainability Accounting Standards Board |
| Scope 1 GHG emissions | Direct emissions from owned or controlled sources |
| Scope 2 GHG emissions | Indirect emissions from the generation of purchased energy |
| Scope 3 GHG emissions | All indirect emissions (not including Scope 2 emissions) that occur in the value chain of the reporting company |
| SDGs | Sustainable Development Goals |
| tCO₂e | Tonnes of carbon dioxide equivalent |
| TCFD | Task Force on Climate-Related Financial Disclosures |
| TPH | Tonnes per hour |
| TRIR | Total Recordable Incident Rate |
| TSX | Toronto Stock Exchange |
| UN | United Nations |
| USD\$ | United States dollars |
| USDA | United States Department of Agriculture |
| VOC | Volatile organic compound |
| YOY | Year-over-year |
| ~ | Approximately |

2024 Task Force on Climate-Related Financial Disclosures (TCFD) Report

AGI 

AGI 

Introduction

We are pleased to present our updated annual report aligned with the Task Force on Climate-Related Financial Disclosures (TCFD) framework and recommendations, which were recently incorporated in the International Sustainability Standards Board (ISSB) standards. The terms “AGI”, “we”, “us” and “our” refer to Ag Growth International Inc., and where the context requires, also means our controlled entities on a consolidated basis.

This report describes AGI’s oversight of climate-related risks and opportunities, the key risks and opportunities that may impact our business, and our approach to managing these risks and opportunities.

Over the last few years, we have focused our efforts on aligning our practices with the recommendations of the TCFD. Last year, we issued our inaugural TCFD-aligned report for 2023. Throughout 2024, we continued to advance these efforts and manage our climate-related risks and activities. Our key activities included:

- Convening an executive-level, cross-functional climate working group;
- Reviewing and updating the climate-related risks and opportunities facing our business, including understanding the impact of these risks on our strategy and planning processes;
- Continuing to formalize processes and collect information about our Scope 1 and 2 emissions across our global facilities;
- Disclosing a target to reduce the greenhouse gas (GHG) emissions intensity from our operations; and,
- Developing an internal plan to decarbonize our operations and meet our established reduction target.

The following sections describe our approach to climate risk governance at the Board and management levels and provide details on the climate-related risks and opportunities most impactful to AGI. They also describe how climate risks are incorporated in overall enterprise risk management processes and summarize the metrics and targets used to assess climate-related risks and opportunities.



Governance

Board oversight of climate-related risks and opportunities

Our Board of Directors brings a diverse set of experience including several members with expertise in sustainability and climate-related matters. The Governance & Sustainability (G&S) Committee of the Board serves as the lead for sustainability and ESG oversight, which includes oversight of climate-related risks and opportunities. The G&S Committee is informed about climate-related matters and performance on a bi-annual and as needed basis. Going forward, the G&S Committee will oversee progress against established climate goals and targets on a regular basis. The G&S Committee informs the Board about climate-related performance, and subsequently the Board considers these risks and opportunities in overseeing the organization's strategy, policies, strategic capital expenditures, and organizational performance. The G&S Committee also has oversight of climate-related risks and opportunities through overall Enterprise Risk Management (ERM) Program oversight.

Management's role in assessing and managing climate-related risks and opportunities

Our President & CEO as well as our CFO provide executive-level oversight of all material risks and opportunities facing the organization and are informed about climate-related risks and opportunities through regular updates. The Global Sustainability function is responsible for the development and execution of AGI's sustainability strategy, including AGI's approach to measuring and managing GHG emissions. This includes managing the data collection and reporting process across all global locations. The Global Sustainability function collaborates closely with functional and regional leaders to implement action plans, track progress, and report on performance. The Global Sustainability function reports to AGI's Leadership Team and the G&S Committee of the Board. Climate-related risks and opportunities are regularly monitored by the Global Sustainability function.

To support the identification, analysis, management, and reporting of climate-related risks and opportunities, an executive-level working group (TCFD Working Group) was formed in 2023. The TCFD Working Group is comprised of leaders from key functions across AGI including Finance, Legal, Global Manufacturing, Internal Audit, Global Supply Chain, and Global Product Management. The TCFD Working Group is chaired and facilitated by our Global Sustainability function. Overall, the management of risks, including climate-related ones, is integrated across AGI's business. The Enterprise Risk Management Program provides additional attention to identify, assess, manage, and monitor key risks to the business.

Strategy

Climate-related risks and opportunities AGI has identified over the short, medium, and long term and the impact of climate-related risks and opportunities on AGI's businesses, strategy, and financial planning

In 2023, the TCFD Working Group identified a list of key climate-related risks and opportunities most impactful to AGI over the short, medium, and long term. These risks and

opportunities were reviewed and updated by the working group in 2024, to ensure continued relevance to AGI. As part of this exercise, a new risk was identified and updates were made to the time horizons and/or likelihood of select risks and opportunities.

This section summarizes the results of that exercise, including the type, time horizon, potential financial impacts, and our current management or mitigation approach for each risk or opportunity. As appropriate, we describe the areas of our business that are most likely to be impacted by the risk or opportunity, such as key regions, business functions, or parts of the value chain (e.g., supply chain). We used AGI's ERM framework to assess the potential impact of each risk and opportunity.

The following time horizons were identified by AGI:

- Short term: 1-5 years
- Medium term: 6-10 years
- Long term: 11-30 years

Physical Risks

Physical climate risks can be acute or chronic. Acute physical risks refer to those that are event-driven, including increased severity of extreme weather events, such as cyclones, hurricanes, or floods. Chronic physical risks refer to longer-term shifts in climate patterns (e.g., sustained higher temperatures) that may cause sea level rise or chronic heat waves. AGI's exposure to physical climate risks has been identified using publicly available data sets.

1. Severe weather event (e.g., flood, tornado, wildfire) affecting AGI's manufacturing locations/facilities/offices.

Risk Type: Acute

Description: AGI has manufacturing, warehouse, and office locations all around the world, including in locations that are at risk of acute climate risks, which refer to severe weather events such as floods, tornados, or wildfires. While many AGI sites are not at a high risk of physical climate risk exposure, some of our facilities are in locations that face a risk of different types of weather events and therefore business operations could be impacted should they be directly affected by a weather event. For example, in the United States, AGI facilities in the Midwest region are the sites with the highest risk ratings for natural hazards and are most vulnerable to tornadoes, strong winds, ice storms, and hail risk, based on the US Federal Emergency Management Agency's National Risk Index for Natural Hazards. Other AGI locations are vulnerable to flood risk including Canadian facilities in Manitoba, Ontario, and Prince Edward Island and our AGI Europe, Middle East and Africa (EMEA) sites in Italy, according to data from the World Resources Institute Water Risk Atlas. Severe weather events could result in plant shutdowns and failure to appropriately plan for these physical risks may impact production capacity and operations.

Time Horizon: Short term

Impact: Moderate

Potential Financial Impact(s):

- Increased operating costs
- Reduced sales at impacted facilities
- Loss of asset value/intangible asset value

Mitigation Approach: AGI's approach to product standardization will expand capabilities across regions and increase AGI's overall diversification, helping to mitigate any potential impacts from severe weather events in specific locations. In the event a manufacturing plant is affected by a weather event, AGI has mechanisms in place to respond including potential for temporary reallocation of manufacturing activities to a plant with similar functions. AGI has insurance available for climate-related events. We continue to monitor physical risks, and environmental and climate-risk considerations are incorporated in strategic planning decisions. AGI is improving its Global Crisis Response Plan covering a range of crisis incidents that AGI may encounter, including the potential occurrence of a severe weather event impacting AGI.

2. Severe weather event (e.g., flood, tornado, wildfire) affecting one of AGI's suppliers/supplier infrastructure.

Risk Type: Acute

Description: AGI's supply chain primarily consists of steel and component manufacturers, metal fabricators, and industrial distributors. Our operations are also supported by suppliers in the transportation and logistics, technology and IT, professional services, and utilities industries, among others. Most of our main suppliers are based in North America, India, and Brazil, with some working with tier 2 suppliers¹ globally. Our suppliers, their networks, or their related infrastructure may be susceptible to severe weather events such as floods, tornadoes, or wildfires. Such events could lead to delivery delays of input goods and materials. Additionally, if our logistics suppliers are impacted, it could affect the export shipment of AGI products to our customers.

Time Horizon: Short term

Impact: Low

Potential Financial Impact(s):

- Reduced sales
- Increased operating costs

Mitigation Approach: AGI actively monitors potential disruptions to our supply base and maintains a diversified supply chain to minimize the impact of severe weather events. For critical inputs, AGI has identified local sourcing options and alternative suppliers to avoid reliance on a single supplier and reduce the potential risk of delays. Additionally, AGI is seeking to standardize input materials such as steel and mechanical components. Input materials can also be shared across AGI locations as needed. AGI is currently undergoing an ERP transformation, which, once complete, will provide better visibility into the precise location where inventory is stored, allowing us to quickly mobilize alternative input materials and/or products if necessary.

Additionally, in 2025, we will initiate a business continuity planning project in collaboration with our suppliers. This project aims to assess and enhance our suppliers' contingency plans to ensure they can continue supporting AGI with minimal or no disruption. We will begin with a select group of critical suppliers in 2025 and progressively expand this initiative over the next three years.

3. Long-term changes in weather patterns affecting AGI.

Risk Type: Chronic

Description: Chronic risks, which refer to long-term changes in global weather patterns such as sustained higher temperatures, may lead to higher operating costs at AGI facilities. For example, heat waves may lead to increased energy costs to keep AGI manufacturing facilities cool and may also impact the health and safety of AGI employees and contractors. Droughts in areas where AGI operates may also lead to higher operating costs and pressure on the water supply used in production processes. AGI's India, Brazil, and EMEA locations face a medium-high or high risk of drought, according to the World Resources Institute's Water Risk Atlas. Some locations in Canada also face a medium risk of drought. Droughts also have the potential to impact AGI customers' crop yields in these regions, which may influence farmer spending during certain seasons.

Time Horizon: Medium term

Impact: Low

Potential Financial Impact(s):

- Reduced demand and sales for products
- Increased operating costs

Mitigation Approach: AGI has a diversified business strategy and operations across grain, feed, fertilizer, seed, and food. With 26 facilities (as of May 2025) in six countries and sales activity worldwide, AGI's global presence and demand may offset any impacts of localized changes in weather patterns. AGI also has facility-level initiatives in place to manage our energy use and water consumption, particularly in high water stress locations. To protect our employees from weather-related impacts and identify hazards, AGI has policies, systems, and appropriate personal protective equipment (PPE) in place.

¹ Tier 2 suppliers are companies that provide goods or services to AGI's tier 1 (direct) suppliers.

Transition Risks

Transition risks refer to the policy, legal, technology, and market changes to address mitigation and adaptation requirements related to climate change.

4. Increased climate-related regulations (e.g., carbon tax) imposed on AGI.

Risk Type: Policy and Legal

Description: Recent years have seen new climate-related regulations introduced in several jurisdictions. One example is the introduction of carbon-pricing mechanisms. AGI is currently subject to paying a federal carbon tax on the purchase of fuels used by stationary and mobile equipment in Canada. In the future, an increase in the carbon tax (\$ per tonne of CO₂ or equivalent) is expected, which will lead to increased operating costs for AGI. There is also a potential that a carbon tax is introduced in other jurisdictions where AGI operates, such as at the state-level in the US. Another carbon-related regulation impacting AGI and potentially our customers in Europe, is the European Union's Carbon Border Adjustment Mechanism (CBAM), which requires importers to declare the embedded carbon emissions generated in the production of certain goods imported into the EU, including steel. This could lead to additional costs for AGI to track and report on this information.

Time Horizon: Short term

Impact: Low

Potential Financial Impact(s): Increased operating costs

Mitigation Approach: AGI actively monitors new and changing climate and GHG reporting regulations including the impact on our financials and engages with regional leaders to understand regional-level impacts. We are preparing for potential new requirements by developing key processes and controls to measure and report AGI's GHG emissions. We are also developing a decarbonization plan to reduce our GHG emissions.

5. Increased costs to transition to a lower carbon economy.

Risk Type: Technology

Description: The technology required to transition to a lower-carbon economy would require investment and may result in higher operating costs for AGI. This may include internal investments in facility-level equipment or technology and product development. Investments in lower-emission sources of stationary or mobile equipment used in AGI manufacturing processes to electric equipment may increase operating costs for AGI, such as through increased maintenance costs or a higher cost of electricity. This may also include any product-related research and development activities to develop and/or expand the production of low emission products, which may lead to increased costs for AGI.

Time Horizon: Medium term

Impact: Moderate

Potential Financial Impact(s): Increased capital investment or increased operating costs

Mitigation Approach: AGI conducts financial analysis on potential decarbonization opportunities including identifying return on investment (ROI) and payback period, to assess the opportunities with the highest return on investment and reduction potential. Regular engagement with product managers and plant managers across AGI facilities is undertaken to identify opportunities and available incentives or tax credits to support investments in low-carbon technology.

6. Inability to manage an increase or fluctuation in the cost of raw materials.

Risk Type: Market

Description: Fluctuations or increases in the cost of raw materials used in manufacturing may lead to increased production costs for AGI, particularly for inputs from carbon-intensive sectors. For example, there is a risk that the cost of steel may rise because of supplier decarbonization efforts (e.g., steel producers shifting from blast furnaces to electric arc furnaces) and/or from the introduction of new climate-related regulations (e.g., carbon pricing) imposed on suppliers in certain jurisdictions. As new pressures and/or new regulations are introduced, there is a risk that these cost increases will become more prevalent and lead to higher production costs for AGI.

Time Horizon: Short to medium term (different for regions in which AGI operates)

Impact: Moderate

Potential Financial Impact(s): Increased production costs

Mitigation Approach: AGI regularly monitors price fluctuations and impacts including changes in the price of steel and the introduction of new regulations that may impact the cost of raw materials. We are positioned to respond to these impacts, and we maintain supply chain continuity through supplier segmentation efforts. This includes multiple supply agreements to achieve supply security and flexibility and regular review meetings with key suppliers. We have a proven ability to manage and mitigate any cost escalations.

Opportunities

7. Energy-efficiency improvements at AGI manufacturing facilities.

Opportunity Type: Resource Efficiency

Description: We recognize that we have a key opportunity to make energy-efficiency improvements across our manufacturing locations and in production processes. This may include changes in behaviours, the installation of LED lighting, and other building or equipment upgrades such as heating, ventilation, and cooling optimization, or other preventative maintenance. This may also include using alternative sources of energy, identifying opportunities to use renewable energy sources, or electrifying our manufacturing equipment, as technology evolves.

Time Horizon: Short term

Impact: Moderate

Potential Financial Impact(s): Reduced operating costs

Mitigation Approach: We have developed a decarbonization plan that prioritizes initiatives with high GHG emissions reduction potential and ROI, including prioritizing energy-efficiency improvements at our sites. We review capital expenditures opportunities targeting energy efficiency in our budgeting process. We work with leaders across AGI facilities to include energy-efficiency initiatives in future capital plans and budgets. In addition, we are developing an approach for the ongoing monitoring of the impact of these initiatives on energy consumption and greenhouse gas emissions.

We have a lean/Green Belt program which focuses on efficiency improvements across AGI sites and have placed a high importance on awareness building activities focused on energy management with our facility leaders. In 2024, we launched an energy management checklist to identify energy management opportunities across our global manufacturing facilities and delivered training and awareness sessions on energy management with plant leaders. Going forward, we plan to conduct ongoing training on energy management to equip leaders and production employees to independently identify and implement energy-efficiency improvements at their locations.

8. Advance customers' sustainability objectives through AGI's digital products/services.

Opportunity Type: Products/Services

Description: AGI continues to support farmers as they adopt new practices, measure their environmental impact and achieve farm-level sustainability and traceability objectives. AGI has the hardware and software required to support data capture across farming practices and grain storage conditions (e.g., temperature, moisture, soil quality). AGI solutions therefore allow farmers to meet some of the measurement, reporting, and verification requirements regarding greenhouse gas emissions and mitigation. If demand for these types of products and services grows, this would provide an opportunity for new partnerships and to expand AGI Digital products that focus on bin and field-level monitoring (e.g., BinManager, Farmobile PUC) into new markets.

Time Horizon: Medium term

Impact: Moderate

Potential Financial Impact(s): Increased demand/revenue and/or increased competitive position

Mitigation Approach: AGI Digital is actively involved in several key partnerships and collaborations where AGI is providing farmers with access to technology and technical assistance to meet their sustainability objectives. AGI continues to identify long-term opportunities to build on success from pilots to scale projects.

9. Changing customer preferences towards more sustainable agricultural equipment and solutions.

Opportunity Type: Products/Services

Description: To reduce their energy consumption and save energy costs, customers are increasingly seeking products that are more energy efficient, lower-emission, and developed with more sustainable input materials. This shift may accelerate as a result of regulatory impacts (e.g., a carbon tax imposed on customers, and/or the availability of government or utility incentives), investor interest (among large commercial customers), or a change in customer attitudes and behaviour. For example, portable handling equipment such as augers, conveyors, or grain vacs that can be powered by electric motors and energy-efficient grain dryers could see an increase in demand if regulatory changes provide a stronger incentive for these types of product features.

Time Horizon: Medium term

Impact: Moderate

Potential Financial Impact(s): Increased revenues from increased demand and/or increased competitive position

Mitigation Approach: We have a strong understanding of our customers' current needs and preferences and conduct regular market surveys for key segments. We are currently developing products and services that meet customer needs to consume less energy and resources such as:

- **Optimized drying systems that use less energy:** Compared to traditional grain dryers, AGI's Mixed Flow Dryers do not use screens and require less effort to operate and maintain. With a gentler drying process, Mixed Flow Dryers use less fuel than a traditional screen dryer to run.
- **Smart technology and advanced control systems:** Incorporate Internet of Things (IOT) sensor capabilities and AI technology for fertilizer blending systems and drying systems to monitor, control, and optimize energy usage.
- **Modular and upgradable equipment:** Developing a new concept for permanent handling and food processing equipment that will allow customers to upgrade equipment rather than replacing entire systems.
- **More efficient drive systems:** Where available and practical, AGI is moving towards more efficient drive systems that provide higher capacities at current horsepower to maintain current electrical grid requirements.
- **Input materials:** We are working with suppliers to understand environmental considerations with current production inputs and to identify future opportunities to embed sustainability criteria into purchasing decisions.
- **Customer education and dealer training:** Developing educational material to demonstrate how AGI equipment can improve long-term cost savings and efficiency. For example, we have established a seasonal maintenance program for blending systems where AGI reviews and recommends repairs and improvements to ensure customers systems operate as efficiently as possible.
- **Partnerships:** Identifying potential collaboration opportunities with universities and industry organizations.
- **Post-sale support:** Providing AGI predictive maintenance services to ensure customer equipment is operating as efficiently as designed.

Resilience of AGI's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario

As described above, the identified climate-related risks and opportunities, if manifested, could have a potential impact on AGI's strategy, financial performance (e.g., increased revenues or increased operating costs), or financial position (e.g., assets and liabilities). In the future, AGI may conduct a robust scenario analysis to consider the impact of different climate-related scenarios such as a transition to a low-carbon economy consistent with a 2°C or lower scenario, or scenarios with increased physical climate-related risks on our strategy.

Risk Management

AGI's processes for identifying, assessing, and managing climate-related risks and integration into overall risk management

Climate-related risks and opportunities identified as most impactful for AGI were first identified and prioritized by the TCFD Working Group in two workshops in 2023.

The first workshop focused on providing an overview of the TCFD recommendations and reviewing an initial long list of climate risks and opportunities. These risks and opportunities were informed by external desktop research, reviews of disclosures from peers in the industrial machinery and goods sector, and industry best practice and guidance. A ranking process was used to determine the risks and opportunities most impactful to our strategy and planning processes, considering AGI's financial materiality threshold when assessing the material impact of each risk. A subset of five risks and three opportunities were prioritized.

In the second workshop, AGI's enterprise risk management risk rating scales were applied to the prioritized list of risks and opportunities and were used to assess the impact and potential likelihood of each.

In 2024, the working group reviewed the identified risks and opportunities for continued relevance to AGI. During the workshop, the working group examined each risk/opportunity in detail, including the time horizon, likelihood and mitigation approach. This led to the identification of a new risk and making adjustments to the time horizons and/or likelihood of select risk and opportunities.

AGI's approach to mitigating or managing each risk or opportunity is unique to each respective risk or opportunity, as described above. The working group discussed recent efforts to manage the risk or opportunity and future priorities to increase our preparedness to respond to each. We intend to review these risks and opportunities regularly for continued relevancy, including how external factors may influence their likelihood or impact. Enterprise-level climate-related risks are identified and assessed annually in AGI's overall enterprise risk inventory and process.

Metrics and Targets

The metrics used to assess climate-related risks and opportunities in line with AGI's strategy and risk management process

The key metrics used by AGI to measure and manage climate-related risks and opportunities are our Scope 1 and Scope 2 greenhouse gas emissions. In 2022, we completed an initial baseline of AGI's GHG emissions for the 2021 year and continue to track annual GHG emissions across our global manufacturing and warehouse locations.

In addition to measuring our direct and indirect GHG emissions, we track performance on other material environmental topics including energy and water. Performance against these metrics is described in the ESG Data Summary of our 2024 Sustainability Report. We are in the process of defining other related metrics to assess climate-related risks and opportunities in the future, such as the total capital expenditures on climate-related opportunities, or revenue from products or services designed for a low-carbon economy.

Scope 1 and Scope 2 greenhouse gas (GHG) emissions, and the related risks

AGI's annual Scope 1 and Scope 2 GHG emissions are calculated in line with the GHG Protocol methodology. Annual emissions data for each Scope and for Scope 1 and 2 combined is included in the table below, for the last three years.

| | 2024 | 2023 | 2022 |
|--|--------|--------|--------|
| Scope 1 (tCO ₂ e) | 20,316 | 20,142 | 19,287 |
| Scope 2 (tCO ₂ e) | 11,181 | 11,889 | 12,121 |
| Scope 1 and 2 Total (tCO ₂ e) | 31,497 | 32,032 | 31,408 |

The targets used by AGI to manage climate-related risks and opportunities and performance against targets

AGI established the following target to manage climate-related risks and opportunities:

Reduce Scope 1 and 2 GHG emissions (tCO₂e) intensity by 25% by 2030, compared to a 2021 baseline year.

AGI's baseline GHG emissions intensity (Scope 1 and Scope 2 GHG emissions per \$1,000 in revenue by year) in 2021 was 0.0268.

In 2024, while absolute emissions remained relatively stable relative to our 2021 baseline, AGI reduced our GHG emissions intensity by 16%, on track to meet our established target. We intend to continue to disclose greenhouse gas emissions performance in future sustainability reports.

AGI 2024
SASB Index



AGI background

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

Our 2024 SASB Index is our third disclosure aligned with SASB disclosure topics and accounting metrics as defined for the Industrial Machinery & Goods sector and applicable to AGI's business.

Disclosure topics and accounting metrics

Energy Management

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

| SASB Code | Metric | Unit of Measure | 2024 Disclosure |
|--------------|--|-----------------|---|
| RT-IG-130a.1 | Total energy consumed | GJ | 462,835 at our manufacturing facilities globally |
| | Percentage grid electricity (total purchased grid electricity consumption divided by total energy consumption) | Percentage (%) | ~27% at our manufacturing facilities globally |
| | Percentage renewable (percentage of energy consumed that was renewable energy) | Percentage (%) | <ul style="list-style-type: none"> ~6% at our manufacturing facilities globally AGI is harnessing renewable energy at two locations in Italy: an office building and a manufacturing facility. In 2024, these facilities consumed 633 MWh of renewable energy from solar, representing a portion of their electricity consumption. |

Workforce Health and Safety

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

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

| SASB Code | Metric | Unit of Measure | 2024 Disclosure |
|--------------|---------------------------------------|---------------------------------|---|
| RT-IG-320a.1 | Total recordable incident rate (TRIR) | (Count x 200,000) /hours worked | 1.27 |
| | Fatality rate | (Count x 200,000) /hours worked | 0 |
| | Near miss frequency rate | (Count x 200,000) /hours worked | Instead of near miss frequency rate, we track the total count of near misses, hazard fixes, and property damage reports as a comprehensive measure. In 2024, the count was 9,710. |

Fuel Economy & Emissions in Use Phase

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

| SASB Code | Metric | Unit of Measure | 2024 Disclosure |
|--------------|---|-----------------|---|
| RT-IG-410a.2 | Sales-weighted fuel efficiency for non-road equipment | Litres per hour | We are developing a methodology to calculate the fuel efficiency of AGI augers and conveyors sold across different geographies, in line with industry guidance. |
| RT-IG-410a.4 | Sales-weighted emissions of: 1. Nitrogen oxides (NO _x) 2. Particulate matter (PM) for: <ul style="list-style-type: none"> Marine diesel engines Locomotive diesel engines On-road medium- and heavy-duty engines Other non-road diesel engines | Grams per kJ | We are developing a methodology to calculate the emissions of AGI augers and conveyors sold across different geographies, in line with industry guidance. |

Remanufacturing Design & Services

| SASB Code | Metric | Unit of Measure | 2024 Disclosure |
|--------------|---|--------------------|--|
| RT-IG-440b.1 | Revenue from remanufactured products and remanufacturing services | Reporting Currency | We service parts and components to extend the life of our products for our customers. We are standardizing a process to track revenue from remanufactured products and services. |

Materials Sourcing

| SASB Code | Metric | Unit of Measure | 2024 Disclosure |
|--------------|--|-----------------|----------------------|
| RT-IG-440a.1 | Description of the management of risks associated with the use of critical materials | Not applicable | See disclosure below |

AGI is a global manufacturing and distribution company relying on an international supply base. A significant portion of our procurement needs include raw materials including steel and technical components. The supply base for these items is generally regional with reasonable supply and alternative suppliers in most cases. Our more complex mechanical and electrical goods have multiple vendors with supply agreements. To our knowledge, we do not procure goods defined by SASB as critical materials, defined as material that is both essential in use and subject to the risk of supply restriction.

To ensure continuity of the supply of the goods we procure, we aim to manage supply chain risks and have implemented the following key initiatives:

- Product standardization for component specification and manufacturing methods to reduce opportunities for failure
- Purchases organized via category management to ensure there are multiple viable suppliers active in each spend area
- Introduced a Supplier Quality Manual and developed supplier selection and supplier qualification processes
- Supplier certification to qualify new suppliers including conducting financial and operational audits
- Vendor performance management tools to identify when specific vendors are trending in a negative direction, allowing for early corrective action to be taken
- Multiple supply agreements and memorandums of understanding to achieve supply security, performance, and flexibility where possible within our North America and international regions
- We also maintain relationships with secondary and tertiary suppliers in addition to maintaining safety stock at our manufacturing facilities
- Regular review meetings with key suppliers on specific materials to ensure supply continuity
- Use of recycled material: a portion of our steel purchases are sourced from electric arc furnaces which primarily use scrap and recycled metal
- Improving our planning and forecasting capability to anticipate disruption risks
- Monitoring of relevant supply chain regulations across jurisdictions including human rights related legislation (i.e., Bill S-211 in Canada) and product compliance related regulation (e.g., PFAS)

Activity Metrics

AGI's activity metrics for 2024 are as stated below.

| SASB Code | Metric | Unit of Measure | 2024 Disclosure |
|-------------|--|-----------------|------------------------------------|
| RT-IG-000.A | Number of units produced by product category | Number (#) | Proprietary |
| RT-IG-000.B | Number of employees | Number (#) | 4,139 (as of December 31, 2024) |



AGI is a leading provider of the equipment, engineering and technology solutions needed to support the efficient storage, transport and processing of grain, feed, fertilizer, seed, and food. AGI has manufacturing facilities in Canada, the United States, Brazil, India, France, and Italy and distributes its products and services worldwide.

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