



Response to Business & Human Rights Resource Centre

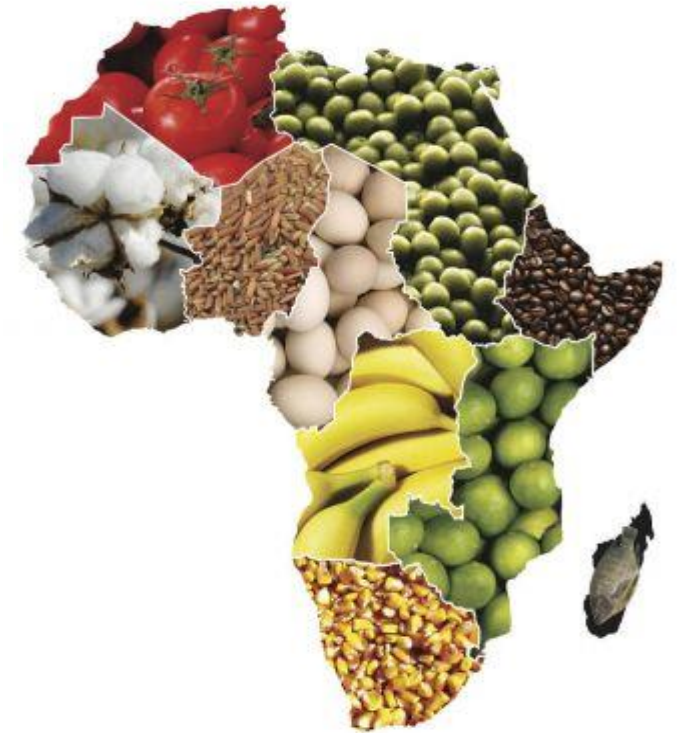
18 May 2020
Agilis Partners



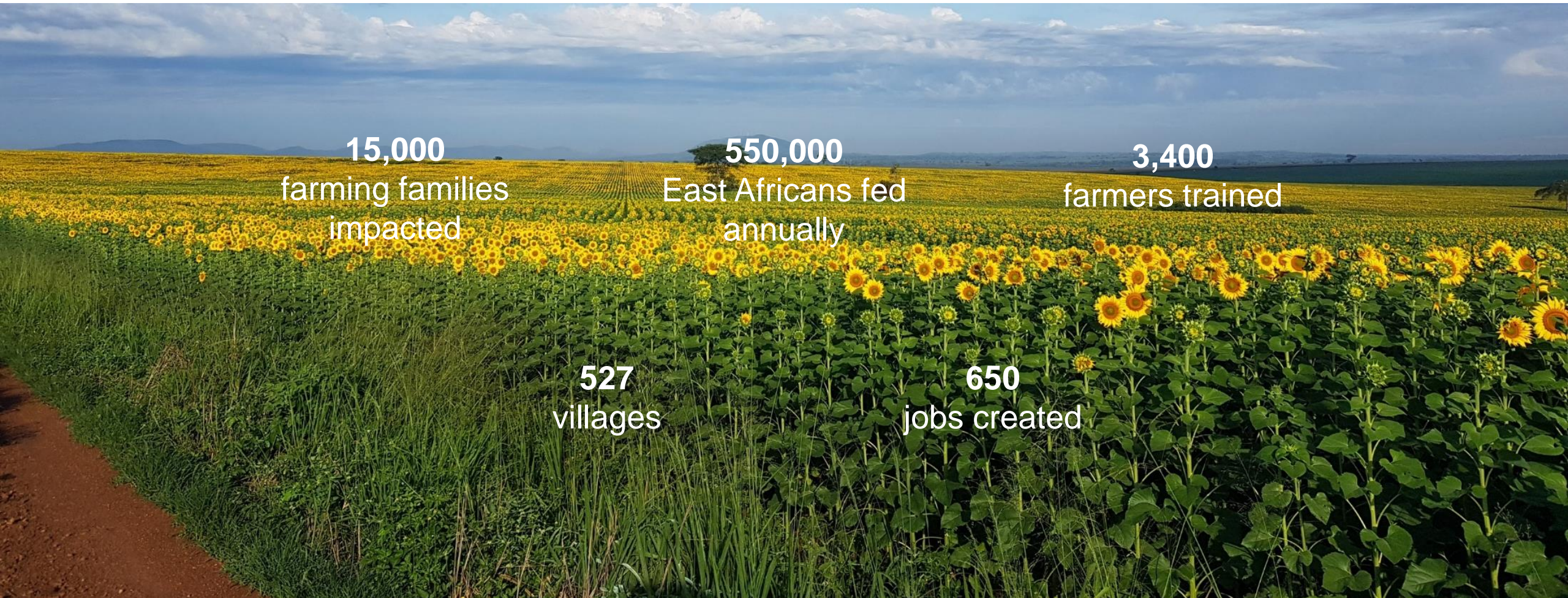
Agilis's mission is to empower Ugandans to feed Africa.

We envision a self-sufficient African food system that is:

- **Inclusive, not extractive:** We are unleashing the potential of Ugandans—farmers, employees, communities and industry—to feed East Africa; no Agilis products are exported outside East Africa.
- **Sustainable:** We are pioneering conservation agriculture practices that optimize yields in an environmentally sustainable manner.
- **Transparent:** We operate according to best ethical business practices to maximize wealth for all stakeholders.



Since 2013, we have been delivering on this mission.



15,000
farming families
impacted

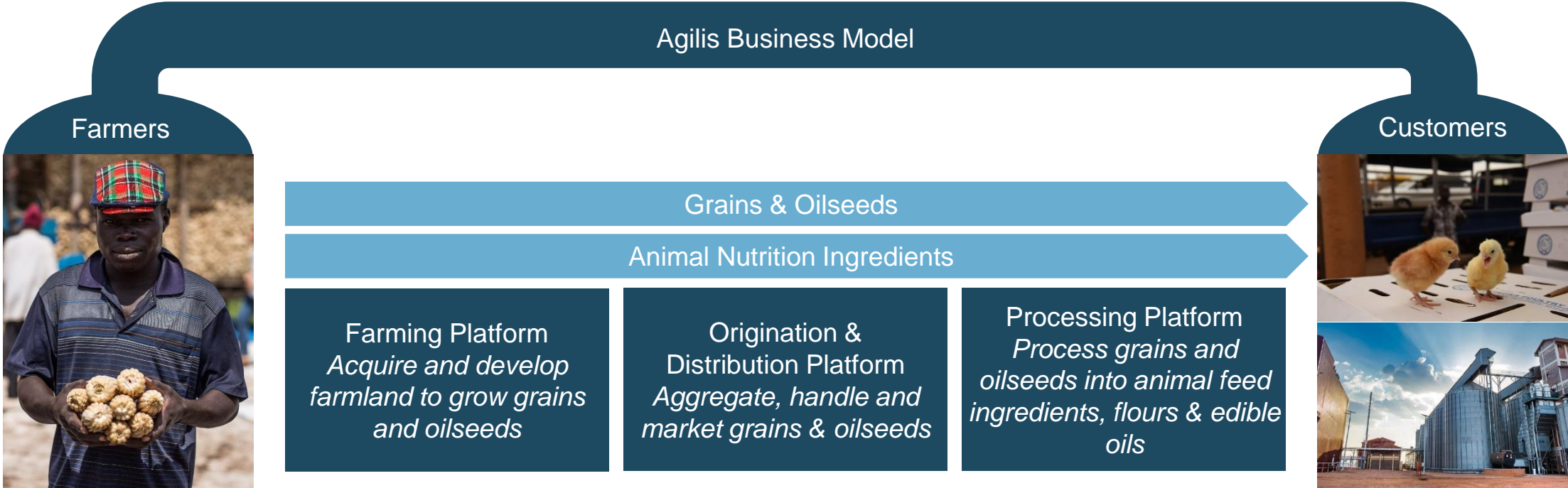
550,000
East Africans fed
annually

3,400
farmers trained

527
villages

650
jobs created

We are an integrated agricultural holding company operating in Uganda.



This engine impacts thousands of lives daily...



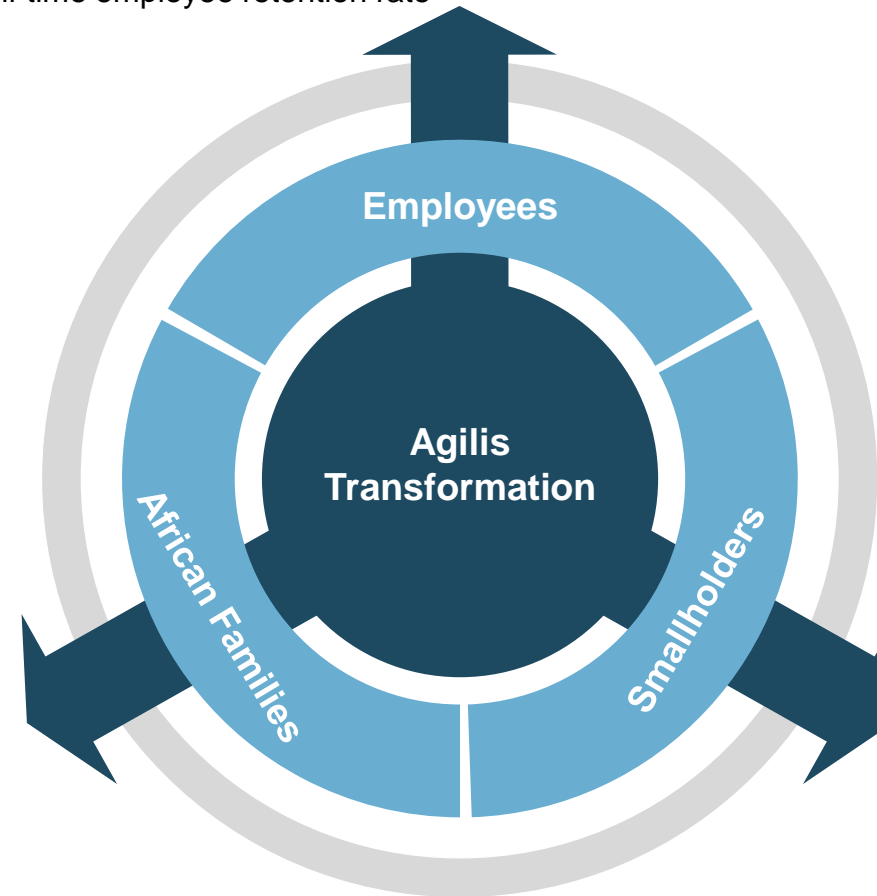
Recipient for 2019 U.S.
Secretary of State's Award
for Corporate Excellence in
Sustainable Operations

Higher incomes & more fulfilling work:

- Employ 675 individuals (450 full-time equivalents) with ~4,590 dependents
- Grew jobs by 22% from 2017 to 2018; projected job growth of 38% p.a.
- Defined career trajectories and demonstrated individual career growth
- 97.5% full-time employee retention rate

Healthier, affordable and accessible food:

- Feed over 550,000 people annually* across East Africa
- Building East African market system that matches supply and demand to solve structural food deficit caused by urbanization and population growth
- Only major Ugandan grain trader to pass aflatoxin (a foodborne carcinogen found in tropical climates) test in worst humidity conditions
- Supplying leading humanitarian agencies and fortified food manufacturers



Bigger harvests & healthier soils, sustainably:

- Technology transfer leading to 2x increases in yield potential
- Market access for supplier network of 15,000 farmers
- Pioneering sustainable & climate-smart cropping including crop diversification & minimal tillage
- Directly trained 3,400 individual farmers in 2018

... by creating uplifting jobs and careers ...



As a machine operator, **Filda's salary is higher than an associate lawyer's salary based in the capital city.** Filda joined Agilis in 2016 from a charity that trains single mothers to become tractor drivers. In 2018, Filda won the "Agilis Operator of the Year" award. Filda has two children and supports six extended family dependents.



Paul began at Agilis as a procurement manager in 2013. Since 2013, Paul has grown his career through multiple roles. Paul is now an operations director of Joseph Initiative where he is responsible for all grain origination and distribution activities across the company. Paul is married with two children and supports four extended family dependents.



Rogers joined Agilis from University in 2015 as a procurement manager. Rogers graduated at the top of his class with an agriculture degree. Rogers became a crop monitoring analyst in 2017 in which role he monitors the development of crops. In 2017, Rogers won the Agilis Leadership Award recognizing "extraordinary leadership through dedication, service and integrity". Roger supports four extended family dependents.



Carol joined Agilis in 2015 as a finance manager from Makerere University. Today, Carol is responsible for financial reporting. In 2018, Carol won the Agilis Leadership Award, an award that recognizes "extraordinary leadership through dedication, service and integrity". Carol supports four extended family dependents.

Impact Metric	Current Annualized
Total employees	675
Full time entities	450
Job growth rate (full and part time)	22%
Job attrition rate (full and part time)	2.4%
Rate of seasonal workers re-hired	49%

About the Landscape:

- 78% of Ugandans are youth (18-30 years old)
- 400k youth enter the labor market annually & compete for 80k formal jobs
- While 75% of Ugandans is engaged in agriculture, only 55% of youth are engaged in agriculture.

... and pioneering & transferring profitable farming practices to small-scale farmers...

Development of an economically optimized climate smart, farming model

Agilis's solutions have been translated into a playbook for sustainable and profitable farming:

- **Multiplying yields by 2-3x industry average**
- Improving quality through improved part-harvest management practices
- **Reduces post-harvest loss from 40% to 10%**
- Improving climate change resilience through crop rotation and diversification
- Maximizing long-term soil health and sustainability through conservation farming

Leading to bigger harvests and healthier soils

Agilis manages a network of 15,000 farmers. Agilis transfers our learnings on our nucleus farms to small-scale farmers through:

- Two farmer field days per year
- Curriculum development and extension services
- Sale of high-quality inputs to improve farm yields

Improved incomes for farmers

Agilis aggregates small-scale farmers' grain with our own grain. On sale, **farmers can more-than double their incomes** through:

- Higher yields and higher quality increase revenue
- Yield and cropping cost controls reduce cost
- Improved long-term market access supports investment mindset
- Lower vulnerability to exogenous risks including weather and price shocks



Juan Acutain, Agilis agronomist, summarizes maize production recommendations.



Godfrey, an Agilis small-scale farmer supplier, takes note at June 2018 farmers field day.

... and feeding hundreds of thousands of hungry families...

We supply **safe staple foods**

Agilis is Uganda's leading producer of corn, the primary staple food, and soybeans, a major ingredient to animal feeds.

Throughout Africa, aflatoxin, a foodborne carcinogenic mold, contaminates food, causing liver failure, cancer and psychiatric diseases. Aflatoxin grows on food when food is not properly handled and stored after harvest.

In 2018, Agilis was the only major grain trader in Uganda to pass aflatoxin testing of our products.

We supply **affordable staple foods**

East African grain prices are 1.5-2.0x the world price due to under productivity and high costs of trade.

Agilis is building the **system for agricultural production and exchange that is required to produce grain efficiently and to market grain competitively.**

Agilis's customers are food manufacturers and humanitarian organizations who use Agilis's ingredients to feed **urban populations and refugees.**

There are 2m refugees across East Africa, and Agilis is a leading supplier to the World Food Programme, the agency supplying refugees.



Over 550,000 Beneficiaries Fed for 1 Year in 2019*



A leading food manufacturer in Rwanda, Africa Improved Foods manufactures fortified foodstuffs for the East African markets. More information [here](#).

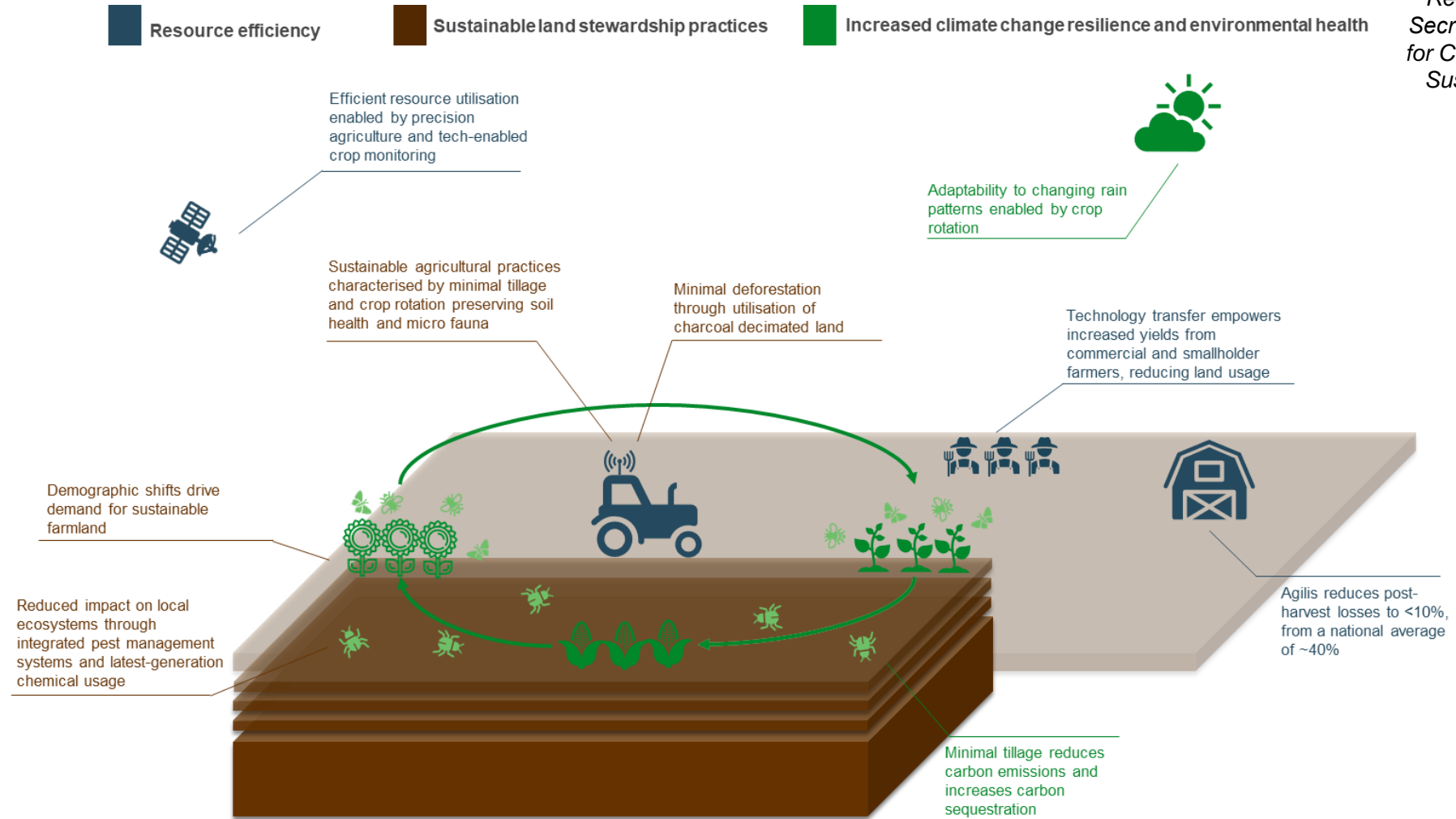


The largest humanitarian agency in the world, the World Food Programme feeds refugees across Africa.

... sustainably.



Recipient for 2019 U.S. Secretary of State's Award for Corporate Excellence in Sustainable Operations



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- In March 2017, Agilis acquired land in Kiryandongo District, Uganda from private individuals pursuant to a purchase agreement in exchange for cash consideration. Government did not grant or sell the land to Agilis.
- Between June 2017 and December 2017, Agilis completed extensive community consultation and integrated planning. On 3 July 2017, Agilis held a preliminary stakeholder meeting with the District Security Committee to determine an approach. On 6 October 2017, Agilis met with Local Government and held a Level 1 Stakeholders General Meeting. In this meeting, Agilis and stakeholders discussed potential removal of individuals from the land and Agilis's general investment plan in the District. In October 2017, Agilis held four consultative meetings with the occupants of the land which were attended by Local Government and District leadership.
- During this time period, Agilis completed a survey of the land and registered all occupants of the land and their assets. Agilis mapped the land and completed a detailed census of all occupants on the land. In the census, Agilis identified all potentially affected assets.
- Based on this census and satellite imagery, Agilis's legal counsel established that none of the individuals occupying the land had title or other legal, customary or *bona fide* claims to the land. Katende Ssempebwa and Company Advocates advised Agilis in this assessment. The courts of law of Uganda have concurred with this perspective.
- Counsel advised that Agilis had the prerogative to seek forced evictions from the land. Agilis decided against forced evictions due to the humanitarian risks this would pose to the individuals illegally occupying the land. All individuals who have departed the land have done so pursuant to voluntary agreements in exchange for cash compensation.

Response to Business & Human Rights Resource Centre (cont.)

- Agilis, in consultation with legal advisers and local leadership, established a compensation framework. In the framework, compensation rates are determined pursuant to the Government of Uganda compensation rates. A determination of the eligibility and the valuation of the assets are completed by an independent mutually appointed surveyor. A grievance redress mechanism was also established to ensure individuals obtained mutually agreeable compensation.
- Through 2018, Agilis entered into voluntary agreements with illegal occupants based on the above valuation framework. All agreements were witnessed by local government leaders and legal counsel. Local leaders have remained engaged throughout the consultative and implementation processes. Multiple individuals have raised grievances which have been addressed according to the grievance redress process.
- Agilis has not evicted anyone from the land. Allegations of violent aggression and forced evictions by Agilis are false.
- The land in question is being utilized to produce 15,000 MT of maize and 4,000 MT of soybeans annually, adding approximately \$6MM of GDP to the Ugandan economy annually and providing raw material to feed hundreds of thousands of East Africans. The 15,000 MT of maize produced represents 3% of the estimated amount of maize imported by East Africa annually from rich countries.
- An estimated 75 new permanent jobs and over 400 temporary jobs with above-market average pay have been created as a result of this investment.
- All cash flow from the project has been reinvested. No special tax credits or exemptions have been granted to Agilis for its investment.



Contact Information
info@agilis-partners.com

