

THE AGCO AGRICULTURE FOUNDATION 2021 Year in Review



ABOUT THE FOUNDATION

Our holistic, action-oriented approach to food security and sustainable agriculture development is making a lasting impact on our farmers and their farming communities globally. The **AGCO Agriculture Foundation (AAF)** is a testament to AGCO's farmer-focused solutions to sustainably feed our world.



Through our three key focus areas, the Foundation contributes to specific UN Sustainable Development Goals (SDGs) by addressing nutrition and sustainable food systems, quality agricultural education, research and innovation, and advancing community and rural development. In 2021, our strategic projects and programs delivered on five SDGs.

OUR PURPOSE:

Build needed agricultural infrastructure to meet increasing nutrition needs

OUR VISION:

Holistic approach to the prevention and relief of hunger

OUR MISSION:

Initiate impactful programs to support food security and sustainable agricultural development in communities



"The poultry project supported by the AGCO Agriculture Foundation has really helped people in our community. With increased incomes, we are using the profits to send our children to school."

Tobias Mzombola, a poultry farmer in the Ndombwi area of Chongwe District, Zambia, Africa



20,000+ Reached through projects and programs in 2021



60% Women supported across projects



40+ Training days held for project stakeholders

300+ Volunteering hours achieved in North America and Africa



Continents reached through projects and programs in 2021



OUR STRATEGIC PILLARS



NUTRITION & SUSTAINABLE FOOD SYSTEMS

Food Security, Animal Welfare, Climate Action



AGRICULTURAL EDUCATION, RESEARCH & INNOVATION Advancement of Quality Education, Research and Innovation in Agriculture



COMMUNITY DEVELOPMENT

Advancement of community development in AGCO communities



NUTRITION & SUSTAINABLE FOOD SYSTEMS Food Security, Animal Welfare, Climate Action





Working together to get small family farms a seat at the table.

Animal Welfare as Market Differentiator for Small-scale Farmers

In light of the growing demand for animal protein, the Foundation is committed to protecting animal well-being within food production.

Launched in 2021, our two-year project and funding of \$50,000 pioneers animal welfare improvement and a new certification model for small-scale chicken farmers in North America.

Through a partnership with Global Animal Partnership (G.A.P.), one of the largest animal welfare standards and labeling organizations in North America, we are aiming to enhance small-scale farmers' animal welfare practices while improving their profitability.

"The Covid-19 pandemic has highlighted the interest and demand for local food systems that smallscale producers could engage in. Together with the AGCO Agriculture Foundation, we want to expand our commitment to continuously improve and drive meaningful change in animal welfare for farm animals."

Anne Malleau, Executive Director of G.A.P The project leverage on the G.A.P.'s "Better Chicken Project" and certification program to improve broiler chicken welfare on-farm and additionally is helping to create local-regional market linkages for smallscale producer networks through a whole bird 'go-tomarket' model.

One additional focus is on developing a selfsustaining peer network for producers at G.A.P. project sites and a cost-effective audit model for small-scale production. Furthermore, the project initiates supplier-based support for animal welfare and production skills and create a supply chain that supports local communities.

Food Security and Livelihood Support Project for Host Community and Refugee Farmers in Dadaab

In the third-largest refugee camp in the world, the AAF pivot irrigation and sustainable mechanized farming system project in Dadaab Refugee Complex is helping to implement Climate-Smart Agriculture solutions and grow food and fodders in the Arid and Semi-Arid Lands (ASALs) of Kenya.

Climate change is a serious threat to the livelihood and food security of many farming communities. Following the launch of the \$125,000 funded phase two of the project in May 2021, the AAF is working with the Kenya Red Cross Society (KRCS) to reach 1,000 households comprising 6000 beneficiaries from the Arid and Semi-Arid Lands of Dadaab IFO 2 refugee camp and its host community.

Key project activities over the two-year project duration aim to strengthen food security, increase income and nutritional food access, production and diets diversification of households from the Arid and Semi-Arid Lands by addressing the climate change crisis.

In addition to growing grass for pastoralists, the project harvested 100tons of watermelon from the cultivated 10 acres out of allocated land for the project.



Enhance Local Capacity for Sustainable Poultry Production Project

Implemented from October 2020 to September 2021 in Chongwe district of Zambia, the \$150,000 AAF funded project was grounded on the premise of changing diets in Zambia by increasing poultry protein intake and promotion of balanced nutritious diets.

The poultry sector in Zambia plays an increasingly significant part in the country's economy. In the last decade, the sector grew about 20% and now accounts for approximately 47% of the livestock sector's contribution to GDP, and roughly 5% of national GDP.¹

Through project interventions such as sustainable poultry production of both broiler chickens and improved free-range chickens and increased knowledge and skills of smallholders, 250 direct beneficiaries were supported and 1,500 indirect beneficiaries were reached.

The project adopted a gender inclusion approach by supporting 160 female and 90 male direct beneficiaries' farmers who were mobilized into 6 Commodity Producer Groups formed for the project.

Each farmer received 4 birds - 1 cockerel and 3 hens, while each Commodity Producer Groups received 200 broiler chickens. To further support each farmer and group, the project installed solar incubators and provided feed, drinkers, feeders, heaters and training support on various poultry production chains, management and nutrition.



Project performance survey shows:

> As a result of the project, 73% of the beneficiaries reported an increase in poultry and poultry products production, especially village chicken production, compared to 37% at baseline.

> 68% of the farmers diversified into livestock production, compared to 52% at baseline.

> 67% of the farmers reported improved access to markets for their poultry products, compared to 46% at baseline.

Watch the *video documentary* on the Sustainable Poultry Production Project here -<u>youtu.be/jNl4E7cXill</u>

"Like many other small-scale poultry farmers around Chongwe, the pandemic was a big shock for my poultry business. This project is timely, and it helped to gain new experiences in poultry and business management. As a result, I have secured a new market uptake where I sell my eggs for a price of 120 Zambian Kwacha (\$6.61) per tray."

Judith Nanyangwe, a project beneficiaries in Chongwe

¹ Poultry Association of Zambia, 2018

AGRICULTURAL EDUCATION, RESEARCH & INNOVATION Advancement of Quality Education, Research and Innovation in Agriculture



Africa Agribusiness Qualification Program (AAQ)

In 2021 and following the successful completion of the first AAQ program in 2019, the Foundation provided \$250,000 funding and launched the second cohort of the AAQ program for Africans as a way to contribute to Africa's Agenda 2063 for food security, nutrition, and the agricultural sector.

"Access to quality education and hands-on training leads to the enhancement of capacity building and skill development in farming. Through the AAQ program, the AAF is empowering Africans who have a passion for the agricultural sector, particularly technical and sales representatives, who can serve as trusted partners to African farmers."

Metti Richenhagen, Director, AGCO Agriculture Foundation The ongoing 12-month, part-time program enrolled twenty students being hosted in South Africa by the facilitating partners - Gordon Institute of Business Science and Harper Adams University in the U.K. With technical expertise and support from AGCO South Africa and the Cerealis Technology Institute in South Africa, the program is providing students with quality agro-industry training, technical and sales skills, and leadership development agro-entrepreneurship management and work experience.

The AAQ program is implemented through a hybrid model, with 80% online delivery and 20% face-to-face classes and conferences. All AAQ students will graduate from the program with an accredited management qualification (NQF4).

Learn more about the Africa Agribusiness Qualification Program (AAQ) at <u>www.agcofoundation.org/aaq.html</u>

Advancing Minority Representation in the Agricultural Industry

As a global Foundation, the AAF is actively contributing to diversity beyond our walls and into the agriculture industry as a whole. In late 2021, the AGCO Agriculture Foundation established a three year partnership with Minorities in Agriculture Natural Resources & Related Sciences (MANRRS), a non-profit organization in North America.

The partnership offers scholarships opportunities for tailored internship roles and support for hiring talents from underrepresented groups. The three years \$240,000 grant funding is helping to reach more exceptional talents to develop their leadership skills to contribute to the transformation of the agricultural industry.

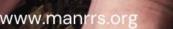
"Solving farmers' most pressing challenges requires continuous innovation and diverse thinking. The AAF partnership with MANRRS enhances our ability to innovate for farmers by building a more diverse talent pipeline."

Eric Haggard, Director, Global Diversity, Equity and Inclusion at AGCO Corporation In each of the next three years, the AAF will award 16 scholarships to selected minority students in the United States. The project is also working with AGCO Corporation to create a development and growth program for interns that will serve as a multiyear pathway to help minority students develop competencies and capabilities that align with post-collegiate career opportunities, leadership development, agro-entrepreneurship management, and hands-on practical experience.

MANRRS + AGCO Agriculture Foundation

"Broadening Horizons and Changing the Narrative"







www.agcofoundation.org/

COMMUNITY DEVELOPMENT Advancement of community development in AGC0 communities

India Covid-19 Aid Program: Addressing Food Security and Health for Vulnerable Households

The AAF Covid-19 Aid Program in 2020 donated \$450,000 to non-profits around the globe in response to the global pandemic's intensifying impacts on food and nutrition insecurity. In 2021, India experienced a surge in COVID-19 cases in major cities and communities, which affected peoples' food security and livelihoods, especially in remote areas.



The Covid-19 situation is desperate in vulnerable communities in rural India where food security and emergency responses were most needed to recover from the pandemic. As a continuation of the Covid-19 Aid Program, the AAF donated \$25,000 to Sehgal Foundation, a private non-profit organization coordinating COVID-19 emergency response efforts in rural India. The intervention provided food ration kits, as well as preventive health material and information to vulnerable rural families facing economic and health challenges in the face of the second wave of Covid-19 in India

The program was implemented for three months, reaching 12,600 vulnerable individuals in Uttar Pradesh and Bihar.



German Flooding Relief Initiative for Farmers

In 2021 Western Germany and many parts of Europe experienced heavy rain which resulted in flash floods that destroyed farmland, crops, buildings and local agricultural infrastructures. With its deep commitment to farmers and AGCO's local communities, the AGCO Agriculture Foundation launched a disaster relief initiative and donated \$100,000 to two non-profit organizations in Germany-Schorlemer Stiftung-Deutscher Bauernverband e.V and Stiftung BHD-Maschinenring Land. The funding assisted farmers with recovering from the devastating impact of the flooding.

With many German farmers experiencing crop failure and losing their agricultural equipment, the Foundation's initiative focused on farmers' productivity. We provided financial assistance to farmers in support of rebuilding farmland, reconstructing farming operations, and providing machines and technology to restore a healthy environment for sustainable rural development, crop and livestock production.

Learn more about the German flood relief on **Fendt News**

"We were shocked by the devastating effects of the flood disaster in Germany, especially in our farming communities. Still, we were very touched by the support of the many farmers, employees and volunteers from all over Germany."

Christoph Gröblinghoff, AGCO Vice President and Chairman of the AGCO/ Fendt Management Board

Youth Development and Skills Enhancement Project

In Zambia, one of the youngest African countries, the AAF social initiative with local non-profit organizations - the Leadership Bank, Barefeet Theatre and AGCO Zambia Youth Group provided tailored learning initiatives and personal development activities for the 50 youth participants at the Martin Richenhagen Future Farm Community.

Through mentorship and coaching sessions, edutainment activities, and hands-on educational learning on vegetable gardening and farm operations, the youth-focus initiative achieved its goal to drive societal change, inspire creativity, and build networks of values-based leaders of tomorrow.

"The program offered a great opportunity for the youth at the Martin Richenhagen Future Farm community to develop both personal and community leadership skills through the series of interactive mentorship sessions. In six months, we have worked with the participants on important topics around leadership traits, purpose and values, character building, matters of peer pressure, setting personal goals and community development."

Syreeta Chitengi, Director at the Leadership Bank – Zambia The initiative received a generous donation of 5,000 EUR from Agricultural Equipment Company CLAAS in honor of the retirement of AGCO's former Chairman, President and Chief Executive Officer, Martin Richenhagen. The donation was complemented by the Foundation.

Read more about the project impact story on **AGCO Blog**

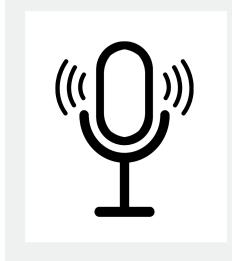


LOCAL ATLANTA COMMUNITY ENGAGEMENT

Volunteering with our Farming Communities

In observance of Earth Day 2021 themed "Restore Our Earth", the **AGCO** Agriculture Foundation hosted two volunteer service days with the Global Growers Network (GGN) in North America. The volunteering support helped transform the Clarkston International Garden into a multicultural and agricultural learning center and support with weeding, preparing beds, planting blueberry bushes and native pollinator plants, and adding mulch and compost to the garden. The Foundation committed over 300 hours of volunteering in North America and Africa in 2021.





AAF Media Spotlight

On one of Thursday's editions of "Closer Look" at 90.1 FM WABE, Metti Richenhagen, Director, AGCO Agriculture Foundation, interviewed with show host Rose Scott about the Foundation's global response during the COVID-19 pandemic, which helped to combat hunger. She also talked about a partnership with the Global Growers Network (GGN) which helped to renovate the Clarkston International Garden.

Listen to the radio interview (15:37)

Learn more about the AGCO Agriculture Foundation's work, projects and grant funding at <u>www.AGCOFoundation.org</u>

Transforming Lives in Farming Communities

The AGCO Agriculture Foundation is a charitable organization established by AGCO Corporation. It is a separate legal entity from AGCO Corporation with distinct legal restrictions. AGCO Agriculture Foundation accounts independently for its operations, assets, liabilities and expenses.

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