



Ag Eagle

**Agriculture in Focus: Sustainability**

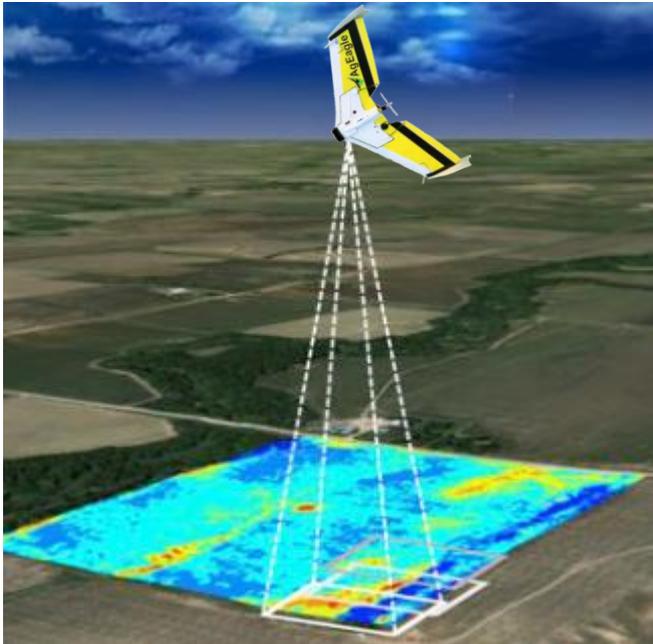
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***AgEagle is a leading provider of drone imagery data analytics for the Precision Agriculture & Sustainable Agriculture markets.***

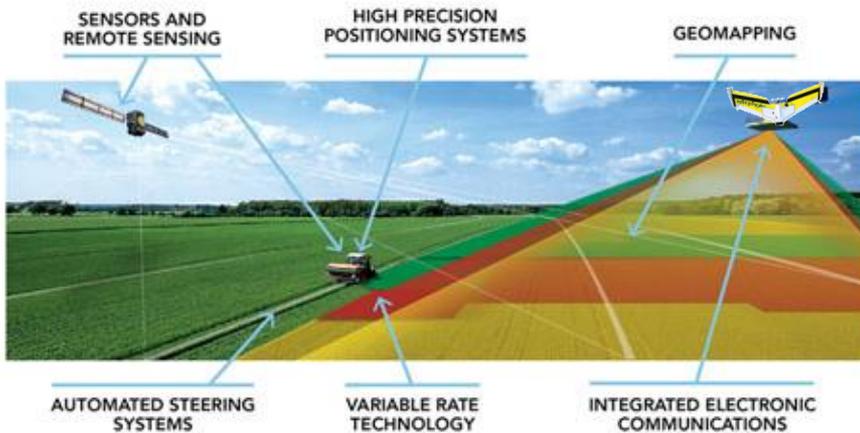
***We use the data captured by sensors on our drones to gauge the health of commercial crops and reduce the amount of chemicals in our food.***



AgEagle's aerial imagery analytics serve two clear and separate target markets: Precision Agriculture and Sustainable Agriculture

## Precision Agriculture

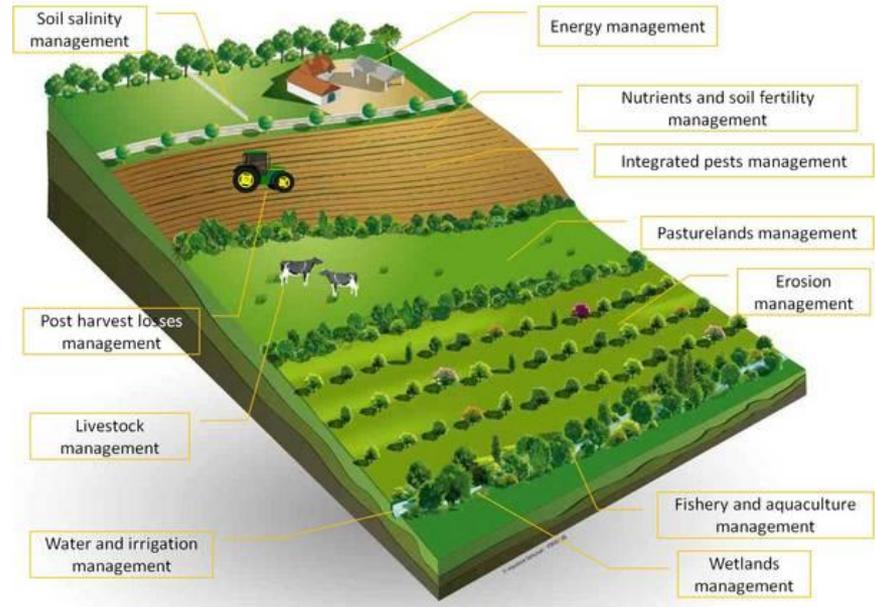
- Our focus in the precision agriculture industry is to help farmers improve crop yields using AgEagle's critically-acclaimed fixed-wing drone platform and building a world-class suite of aerial data analytics



## Technical Disruption

## Sustainable Agriculture

- Using the same suite of data analytics, AgEagle will help food manufacturers meet their sustainable farming initiatives by helping them reduce the chemicals that go into our food

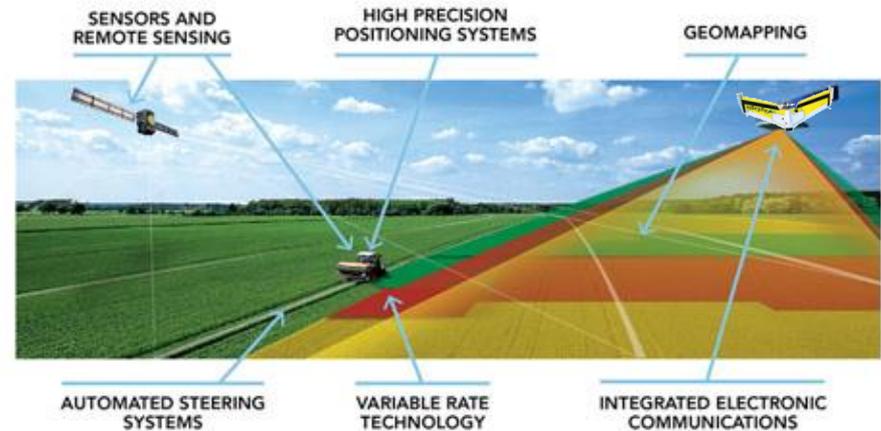


## Social Disruption

# What is Precision Agriculture?

Precision Agriculture is the practice of managing specific areas of a farmer's field, down to 1/100 of an acre, utilizing state of the art technology.

- > **Remote sensing** – Aerial imagery identifies problem areas and can automatically transmit data to variable rate sprayers
- > **Variable rate technology** – Technology that allows nutrients to be placed in precise locations on the field
- > **GPS-equipped machines** – Machines move themselves along pre-determined routes to within 6 inches of accuracy using GPS connections as guides.
- > **Crop yield monitor** – A device coupled with other sensors to calculate and record the crop yield
- > **Direct sensing** – Real-time, vehicle mountable sensors measure everything from chlorophyll levels to plant water levels



## Problem: Poor Data = Poor Results

Without regular access to the real time data on crop health conditions, growers are leaving yield in the field



- › The costs of poor crop intelligence data are substantial:
  - › 50% of fertilizers<sup>(1)</sup> and 95% of pesticides<sup>(2)</sup> **miss their targets**
  - › 15% - 20% of yields are lost due to **inadequate fertilizer application**<sup>(3)</sup>
  - › 40% of fields are **over-fertilized**<sup>(3)</sup>
  - › 10% of fields experience **>10% yield loss** from undiagnosed health conditions<sup>(4)</sup>
- › Current image analytic options include satellites, whose imagery data is limited to ~10 feet<sup>(5)</sup> of accuracy and at risk of cloud cover, and small planes, which are expensive to hire
- › With the global population expected to be 9.7 billion by 2050, estimates dictate that current levels of food supply will need to grow 70% in order to meet demand<sup>(3)</sup>

<sup>(1)</sup> U.S. Geological Survey

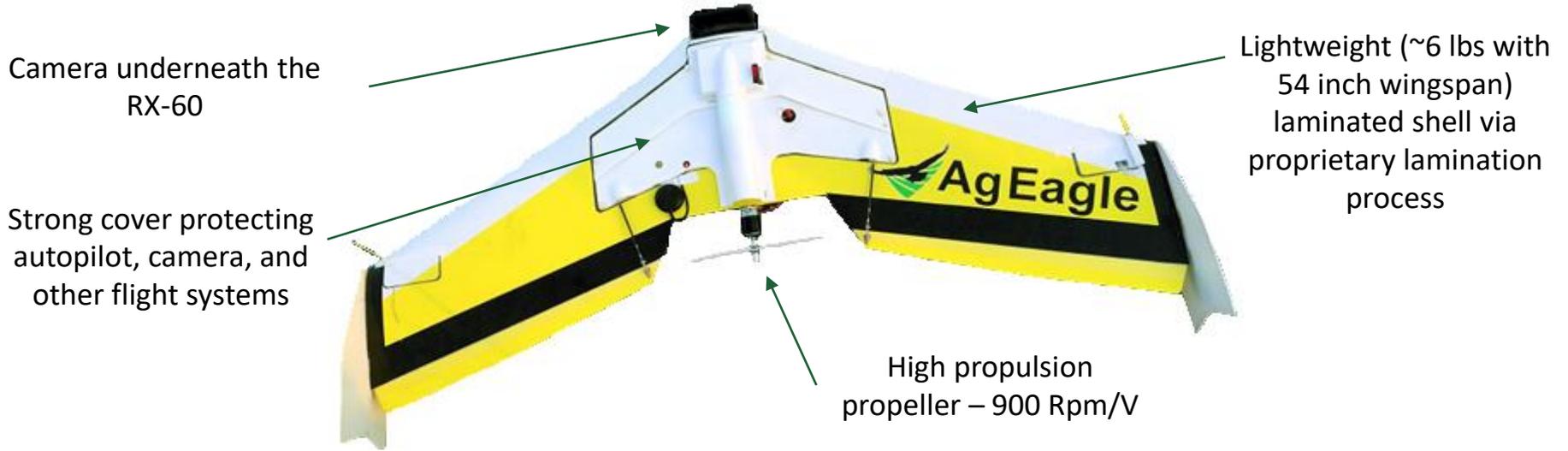
<sup>(2)</sup> Sustaining the Earth, Miller GT, 2004

<sup>(3)</sup> Goldman Sachs' "Profiles in Innovation: Precision Farming", July 2016

<sup>(4)</sup> D. Brauer, Nebraska corn & soybean agronomist

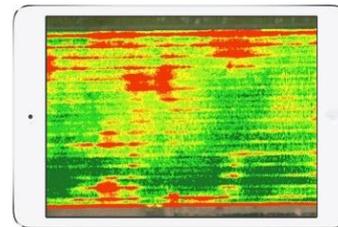
<sup>(5)</sup> GPS.gov

AgEagle's carbon fiber infusion process offers an entirely new way to collect actionable crop data



## Image Capture

Camera is modified for near-infrared (NIR) imagery



## Additional Control

Flight control / planner and prescription map via phone or tablet

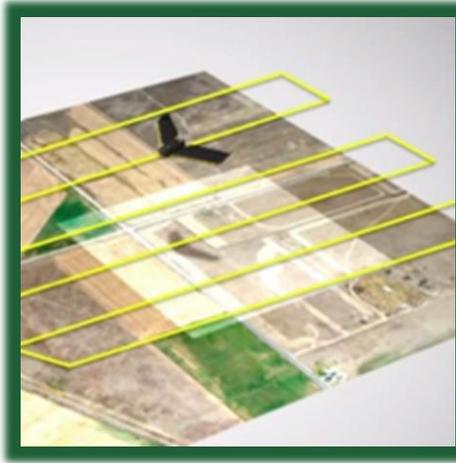
# AgEagle Aerial Data Collection Process

AgEagle provides a simple solution to acquire high quality, actionable data that can reduce the use of chemicals and increase crop yields, resulting in improved quality and profits

Build Flight Plan



UAV flies and captures data



Aerial prescription map created and delivered



Prescription map controls applicators applying only to precise areas of need



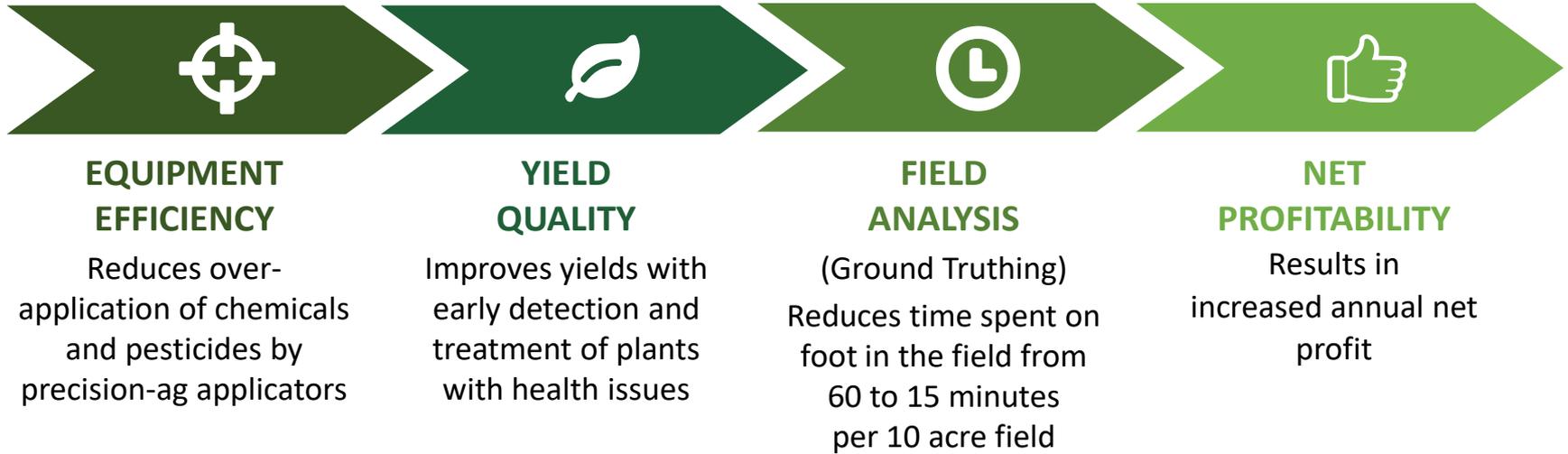
"Ground Truthing"  
i.e. inspect crops



# Realized Value Through Actionable Aerial Data Collection

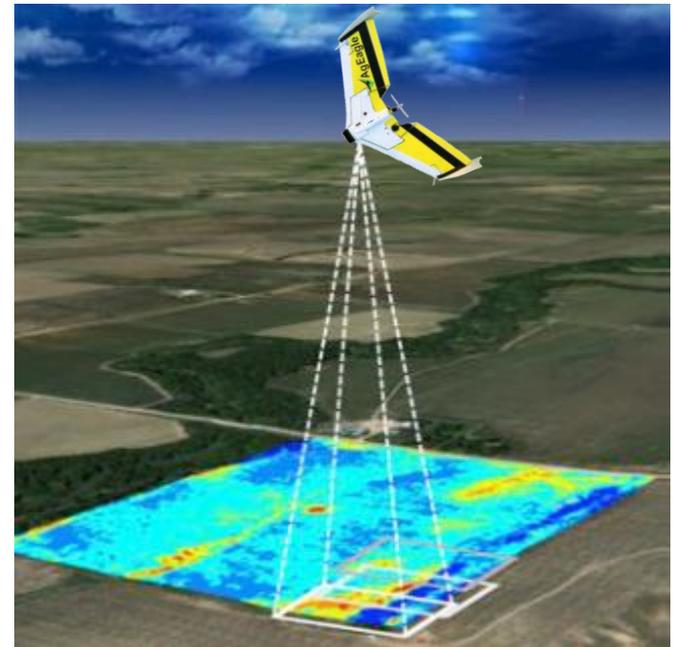


AgEagle provides growers with actionable data needed to improve yields and reduce time in the field



**AgEagle's advanced data analytics platform will provide crop intelligence for superior decision making and, through technical disruption, bring a ten thousand year old industry into the 21<sup>st</sup> century**

- > As of today, AgEagle's system detects the biological status of crops from the plant's reflectance spectrum *beyond* the range of human vision
- > AgEagle is growing the current range of image analytics with the development and/or acquisition of more advanced algorithms and sensors
  - > Using advanced sensors will allow AgEagle to build upon its current analytical offerings of Near Infrared and Vegetation Vigor (normalized difference vegetation index or "NDVI")
  - > With the development of additional innovative algorithms, AgEagle will be able to analyze the UAV-captured images in order to diagnose and aggregate crop metrics such as:
    - > Vegetation Stress
    - > Crop Population Statistics
    - > Weed Coverage
    - > Growth Stage of the Crop
- > The aggregation of all this crop intelligence will be extremely valuable to the farmer in the future, as well as additional third parties such as seed & fertilizer suppliers, ag insurance companies, commodity brokers, etc. who would purchase the scrubbed data products to measure yield outcomes, calculate risk and predict price movements in real time

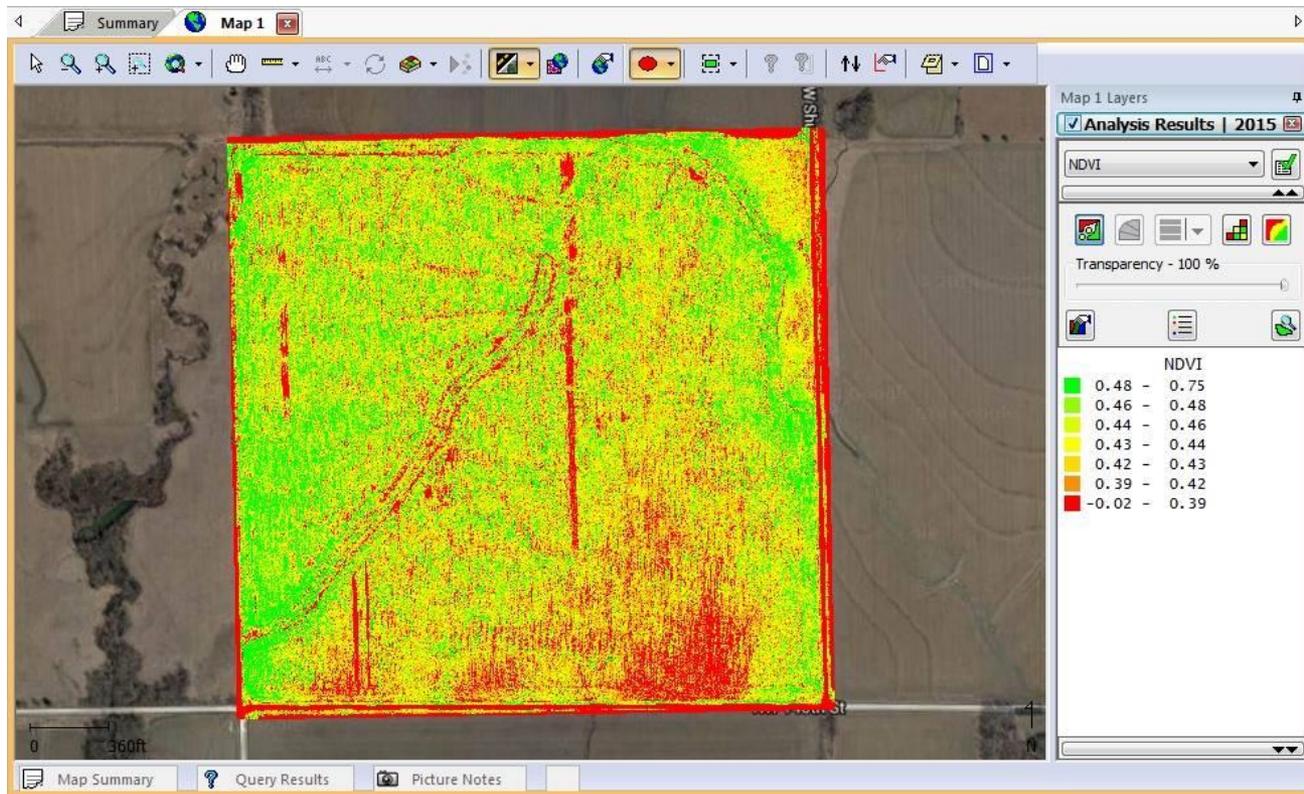


## Case Study – Aphid Infestation in a Wheat Farm

A farmer was aware of an aphid problem, but unsure of how much of the field was taken over. His AgEagle Drone delivered a near-infrared image, stitched 10 minutes after landing. It was estimated that the aphid infestation was present in 34 acres of the field.

RESULT: Farmer was able to apply treatment only to the 34 acres of the field that needed treatment – saving time, money and limiting the impact to his nutrient rich soil.

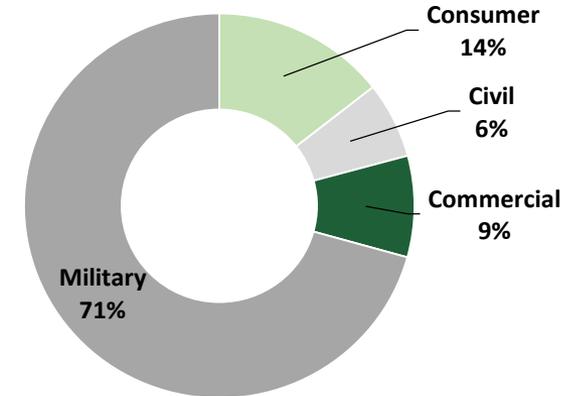
AgEagle can assist farmers in identifying infestations early and provide farmers with the necessary information to proactively treat the infestation, preserve crop yield and reduce chemicals in our food.



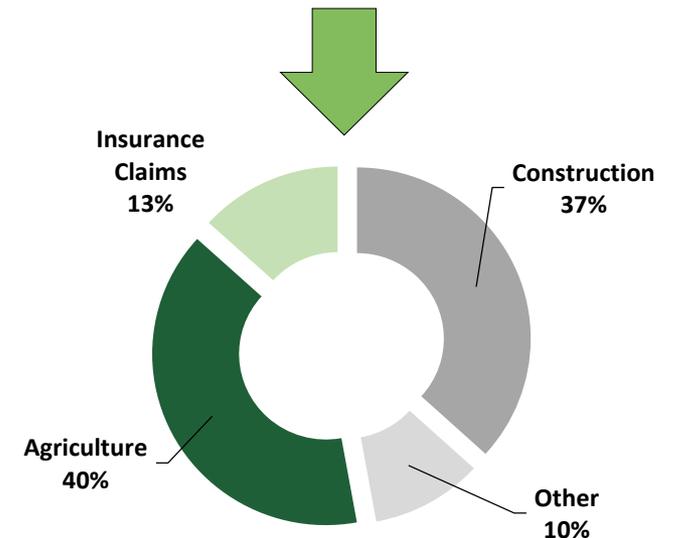
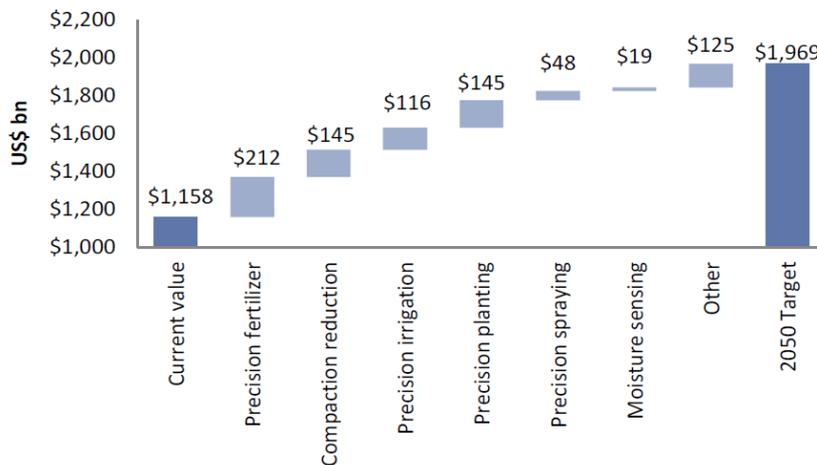
The AUVSI estimates that drone aerial data collection will generate nearly \$30 billion in revenue globally over the next 5 years, with the U.S. market projected to be more than 40% of the commercial UAV market<sup>(1)</sup>

- Goldman Sachs estimates the total addressable digital agricultural technology market, of which AgEagle is a part, at \$240 billion<sup>(3)</sup>
- The total addressable market for ag drones in the U.S. is between \$1.4 billion and \$6.1 billion according to Goldman Sachs and AUVSI
- UAVs in agriculture will add more than \$75 billion to the U.S. economy by 2025, with global forecasts nearly doubling estimates
- The United Nations Food & Agriculture Organization estimates the world will require 70% more food production by 2050<sup>(4)</sup>

U.S. Total Addressable UAV Market<sup>(2)</sup>



Global Crop Value Growth Required to Reach FAO Food Production Projection<sup>(3)</sup>



<sup>(1)</sup> Association for Unmanned Vehicle Systems International

<sup>(2)</sup> Goldman Sachs' "Profiles in Innovation", March 2016

<sup>(3)</sup> Goldman Sachs' "Profiles in Innovation: Precision Farming", July 2016

<sup>(4)</sup> The UN Food and Agriculture Organization Association for Unmanned Aerial Vehicle Systems International



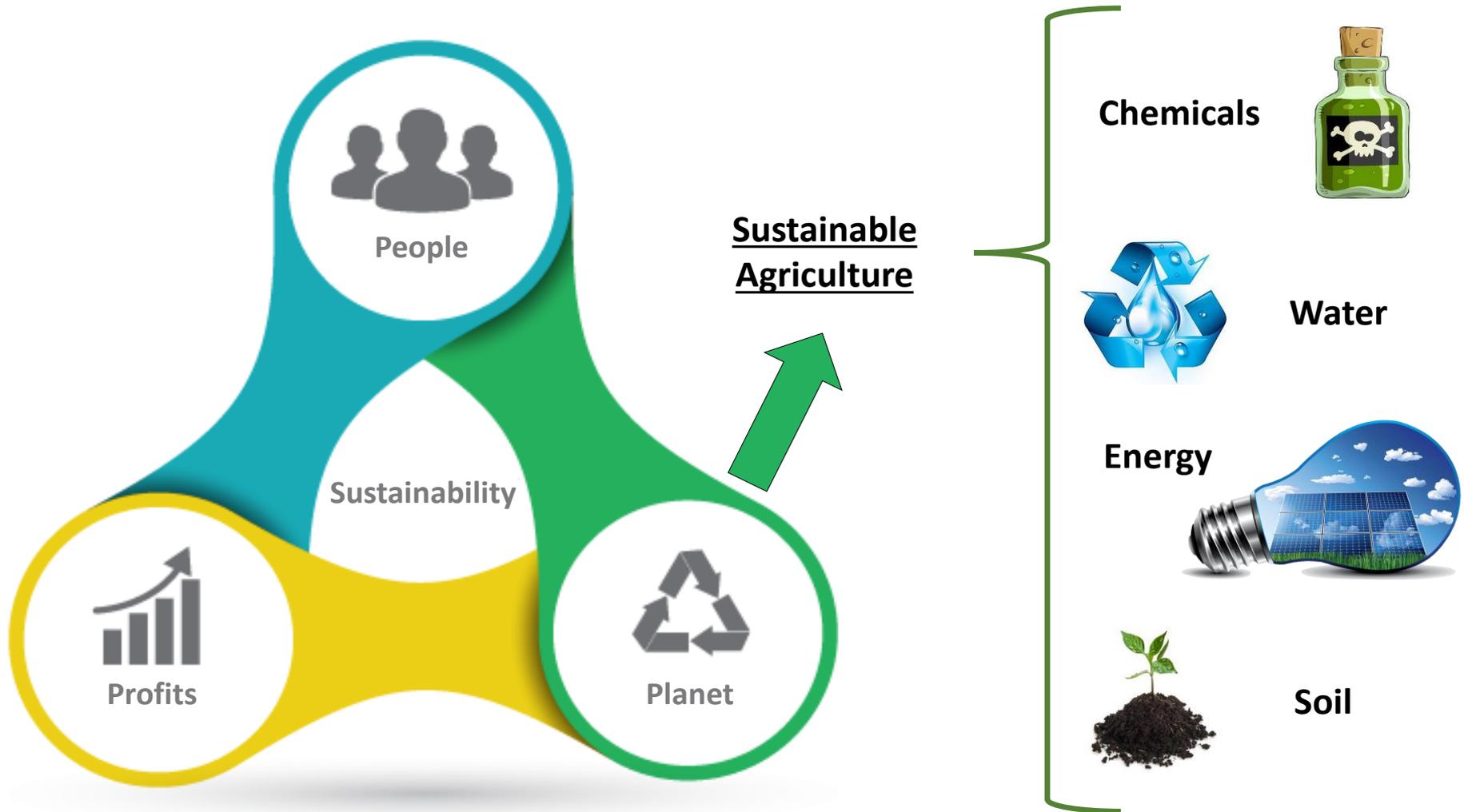
# What is Sustainability?

The concept of sustainability is that we as people can meet the resource needs of the present without compromising the resource needs of future generations in order for both the human race and planet Earth to survive



# The Three Pillars of Corporate Sustainability

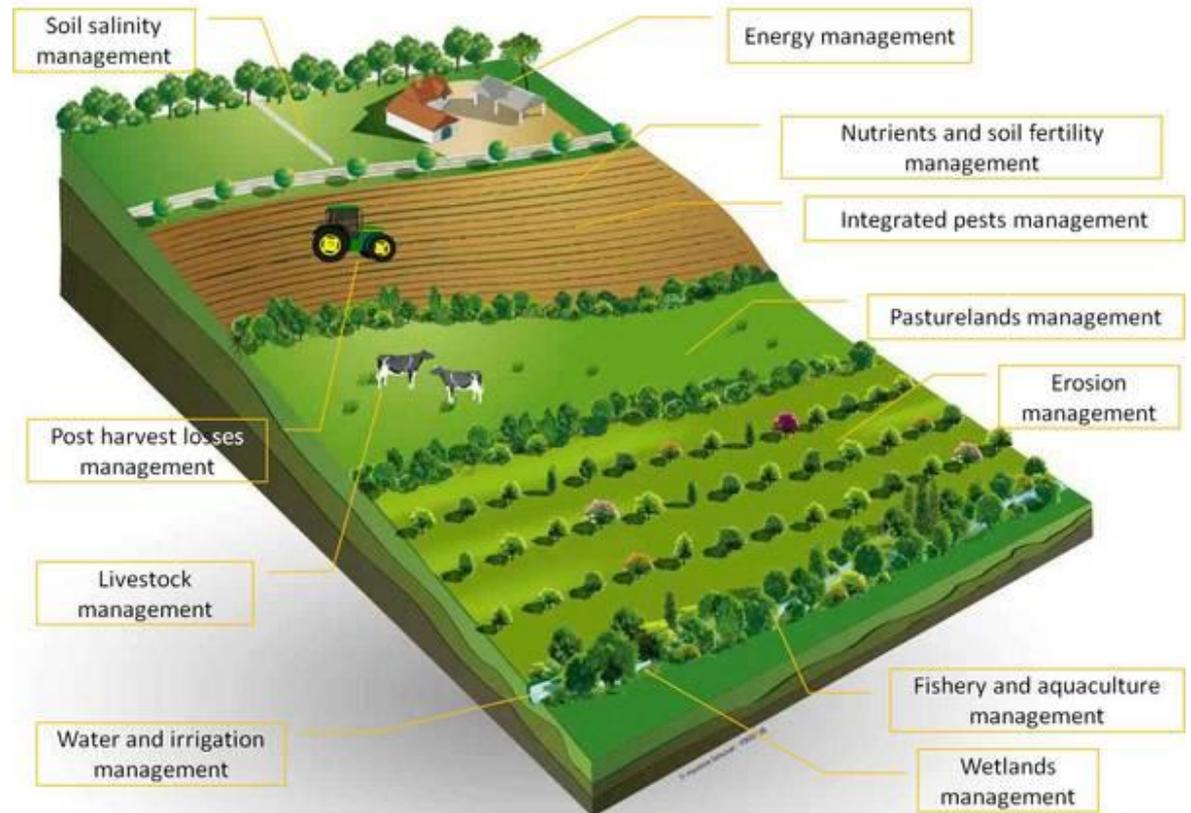
The three pillars of corporate sustainability are People, Planet & Profits. AgEagle is specifically focused on how it can positively impact the Planet Pillar – with a focus on the business of agriculture



Sustainable Agriculture is the production of food, fiber, or other plant or animal products using farming techniques that protect the environment, public health, human communities and animal welfare

## AgEagle's Sustainability Focus

- > **Reduce Chemicals**
- > Soil health
- > Soil loss
- > Nutrients
- > Pest management
- > Energy usage
- > Water usage
- > Water damage



# The Consumer Push for Sustainability

The growing consumer desire to make healthier food choices is placing increased pressure on food manufacturers to increase sustainability initiatives – consumers want less chemicals in their food



“Watchdogs” have fought and won numerous sustainability battles – Nike famously violated basic human rights with their shoe sweatshops and many “dirty energy” companies, such as coal, have seen their industries all but disappear

## Human Rights 1991 - Ongoing



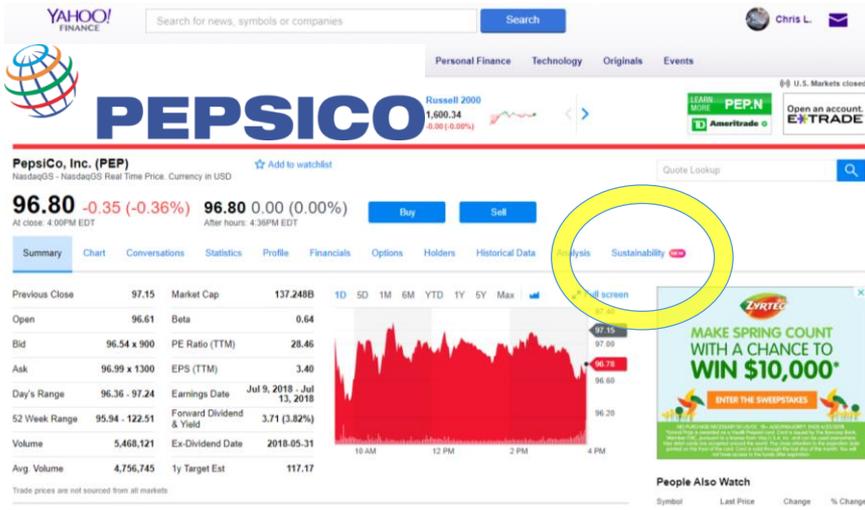
## Carbon Emissions 2006 - Ongoing

an **inconvenient** truth





The recent focus on sustainability has gotten so large, that Yahoo Finance, arguably the world's most widely used finance website, has added a tab focused purely on ranking a company's sustainability



**PEPSICO** Russell 2000 1,600.34 (-0.06%)

**PepsiCo, Inc. (PEP)** NasdaqGS - NasdaqGS Real Time Price. Currency in USD

96.80 -0.35 (-0.36%) 96.80 0.00 (0.00%)

Summary Chart Conversations Statistics Profile Financials Options Holders Historical Data **Analysis** Sustainability

Previous Close 97.15 Market Cap 137.248B 1D 5D 1M 6M YTD 1Y 5Y Max

Open 96.61 Beta 0.64

Bid 96.54 x 900 PE Ratio (TTM) 28.46

Ask 96.99 x 1300 EPS (TTM) 3.40

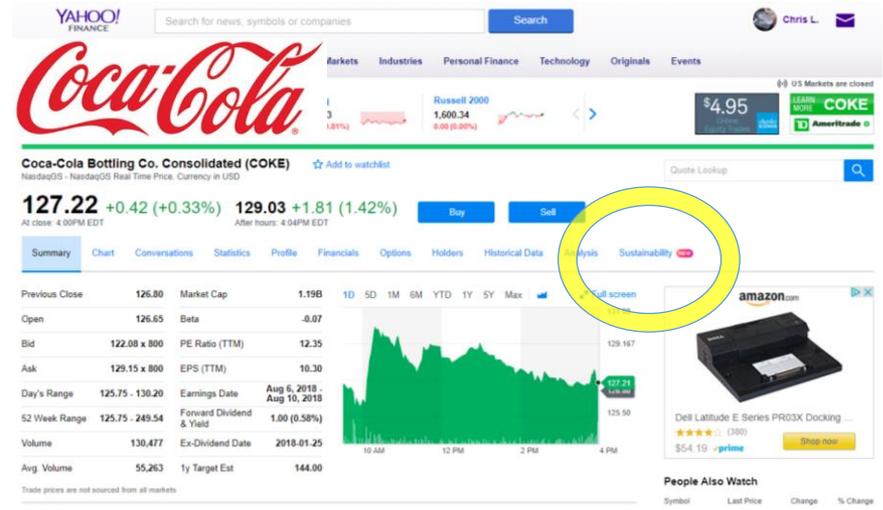
Day's Range 96.36 - 97.24 Earnings Date Jul 9, 2018 - Jul 13, 2018

52 Week Range 95.94 - 122.51 Forward Dividend & Yield 3.71 (3.82%)

Volume 5,468,121 Ex-Dividend Date 2018-05-31

Avg Volume 4,756,745 1y Target Est 117.17

Trade prices are not sourced from all markets



**Coca-Cola** Russell 2000 1,600.34 (-0.06%)

**Coca-Cola Bottling Co. Consolidated (COKE)** NasdaqGS - NasdaqGS Real Time Price. Currency in USD

127.22 +0.42 (+0.33%) 129.03 +1.81 (1.42%)

Summary Chart Conversations Statistics Profile Financials Options Holders Historical Data **Analysis** Sustainability

Previous Close 126.80 Market Cap 1.15B 1D 5D 1M 6M YTD 1Y 5Y Max

Open 126.65 Beta -0.07

Bid 122.08 x 800 PE Ratio (TTM) 12.35

Ask 129.15 x 800 EPS (TTM) 10.30

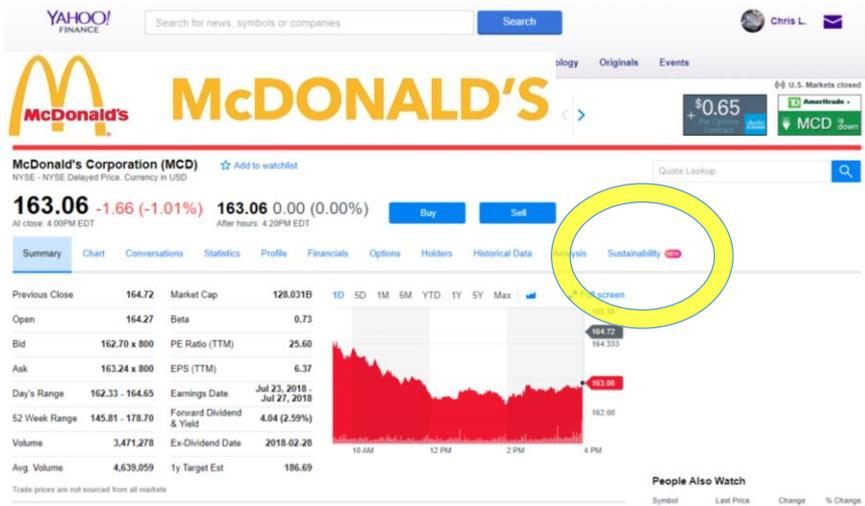
Day's Range 125.75 - 130.20 Earnings Date Aug 6, 2018 - Aug 10, 2018

52 Week Range 125.75 - 249.54 Forward Dividend & Yield 1.00 (0.58%)

Volume 130,477 Ex-Dividend Date 2018-01-25

Avg Volume 55,263 1y Target Est 144.00

Trade prices are not sourced from all markets



**McDonald's** Russell 2000 1,600.34 (-0.06%)

**McDonald's Corporation (MCD)** NYSE - NYSE Delayed Price. Currency in USD

163.06 -1.66 (-1.01%) 163.06 0.00 (0.00%)

Summary Chart Conversations Statistics Profile Financials Options Holders Historical Data **Analysis** Sustainability

Previous Close 164.72 Market Cap 128.031B 1D 5D 1M 6M YTD 1Y 5Y Max

Open 164.27 Beta 0.73

Bid 162.70 x 800 PE Ratio (TTM) 25.60

Ask 163.24 x 800 EPS (TTM) 6.37

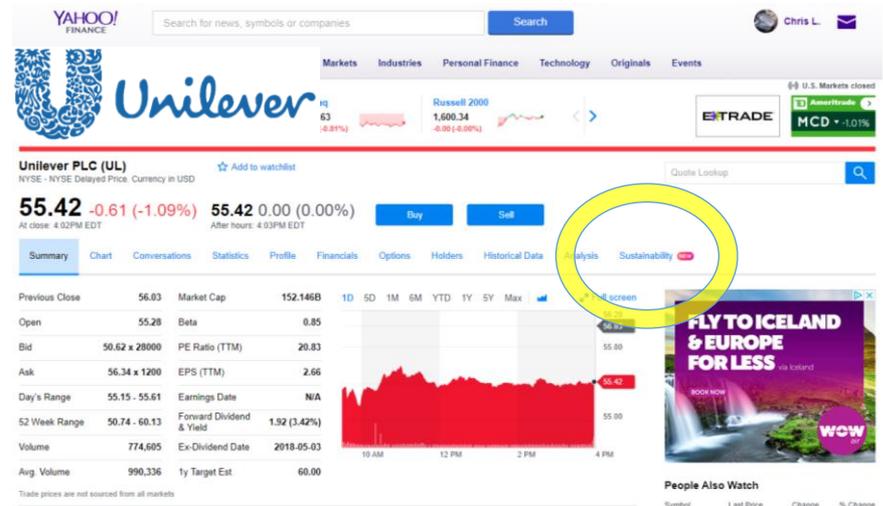
Day's Range 162.33 - 164.65 Earnings Date Jul 23, 2018 - Jul 27, 2018

52 Week Range 145.81 - 178.70 Forward Dividend & Yield 4.04 (2.59%)

Volume 3,471,278 Ex-Dividend Date 2018-02-28

Avg Volume 4,639,059 1y Target Est 186.69

Trade prices are not sourced from all markets



**Unilever** Russell 2000 1,600.34 (-0.06%)

**Unilever PLC (UL)** NYSE - NYSE Delayed Price. Currency in USD

55.42 -0.61 (-1.09%) 55.42 0.00 (0.00%)

Summary Chart Conversations Statistics Profile Financials Options Holders Historical Data **Analysis** Sustainability

Previous Close 56.03 Market Cap 152.146B 1D 5D 1M 6M YTD 1Y 5Y Max

Open 55.28 Beta 0.85

Bid 50.62 x 28000 PE Ratio (TTM) 20.83

Ask 56.34 x 1200 EPS (TTM) 2.66

Day's Range 55.15 - 55.61 Earnings Date N/A

52 Week Range 50.74 - 60.13 Forward Dividend & Yield 1.92 (3.42%)

Volume 774,605 Ex-Dividend Date 2018-05-03

Avg Volume 990,336 1y Target Est 60.00

Trade prices are not sourced from all markets

With financial watchdogs ranking every public company's sustainability programs, accountability is more in focus than ever, pushing companies to focus on and spend more building a sustainable foundation

## PepsiCo, Inc. (PEP)

NasdaqGS - NasdaqGS Real Time Price. Currency in USD

☆ Add to watchlist

Quote Lookup

**96.80** -0.35 (-0.36%) **96.80** 0.00 (0.00%)

At close: 4:00PM EDT

After hours: 4:38PM EDT

Buy

Sell

Summary Chart Conversations Statistics Profile Financials Options Holders Historical Data Analysis Sustainability **NEW**

### Environment, Social and Governance (ESG) Ratings

Total ESG score

**72** | 96th percentile

Leader

Environment

**79** | 99th percentile

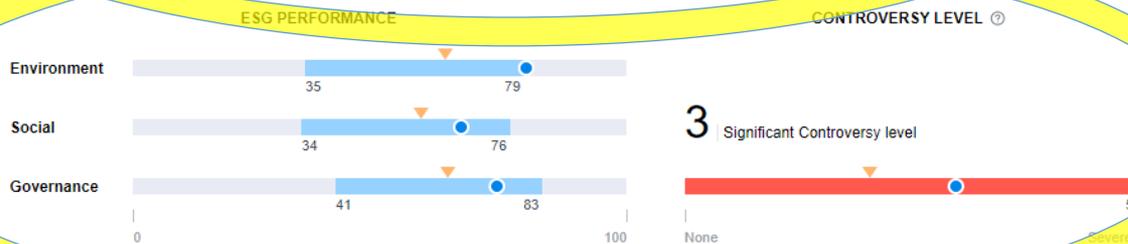
Social

**66** | 85th percentile

Governance

**73** | 89th percentile

### ESG Performance vs 91 Peer Companies



ESG data provided by Sustainalytics, Inc. Last updated on 5/2018

### Historical ESG Performance

■ PEP ■ Category Average

**50% OFF** ALL-INCLUSIVE RESORTS

81 hrs 27 min 59 sec

DEALS FROM \$81

### ESG Score for Peers

Name	Total ESG score	E	S	G
NEBR.HM	74	75	73	76
NESTLE.NAM.SF-,10	72	70	73	74
KOFL.MX	72	70	73	74
COCA-COLA.FEMSA,S.A.B...	72	70	73	74
PEP (this company) Pepsico, Inc.	72	79	65	73
GUI.MU	71	77	71	64
DIAGEO.PLC.LS-,28935185	71	77	71	64

Most major food companies publish a sustainability action report, which has each organization's plans, past efforts and defined goals regarding their sustainable practices – AgEagle's services are designed to help them meet their clearly published goals



**SUSTAINABLE AGRICULTURE CODE 2017**

## 2016 Sustainability Report

### Improving Sustainable Agriculture

Around the world, the adoption of sustainable agriculture practices is helping to improve the environment and the lives of farmers and farming communities, especially smallholders and women. These practices are also critical to making sure there is enough food for everyone. Through our *Breakfasts for Better* Days commitment to create 3 billion Better Days for people around the world by the end of 2025, we are committed to supporting 500,000 farmers, their families and communities with climate smart agriculture practices to increase yields, improve climate resiliency and reduce post-harvest food loss and waste. We're especially looking at how we can support **smallholders** and **women** around the world who play significant roles in agriculture, but often face challenges of injustice and inequality. This work aligns with our support of the U.N. Sustainable Development Goal #5 - Gender Equality, and Goal #2 - Zero Hunger.

We've already seen some early successes and look forward to many more.

- In the U.S., where less than 1 percent of all farmland is Certified Organic, transitioning conventional farmland to organic takes up to three years and requires more costly farming practices, but crops have historically been sold at conventional prices. To help farmers make the shift, Kashi<sup>®</sup> pioneered the Certified Transitional Standard (identified with an on-pack seal), purchasing ingredients from farmers at a premium to help them offset the costs of moving to organic.
- In Thailand, we helped introduce a new medium-grain rice variety for Kellogg's Rice Krispies<sup>®</sup> and Special K<sup>®</sup> cereals, not previously grown in the region. This work engaged 700 farmers, 60 percent of whom are women, who now have a long-term market for a non-GMO rice variety that is also high-yielding and pest resistant.



### 2016 Sustainability Report: Agriculture

By: The Coca-Cola Company | Aug 17, 2017

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View and download the 2016 Agriculture Infographic

At The Coca-Cola Company, we rely on agricultural ingredients for our products. In 2013, we set a goal to more sustainably source our priority ingredients by 2020. Priority ingredients include cane and beet sugar, high fructose corn syrup, stevia, tea, coffee, oranges, lemons, grapes, apples, mangos, pulp and paper fiber for packaging, palm oil and soy.

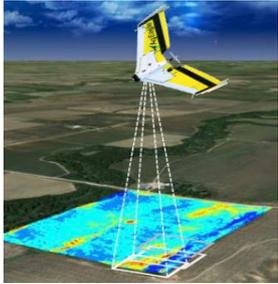
# The Solution to the Food Manufacturer's Biggest Sustainability Problem



Major food manufacturers are not set up to monitor how the ingredients they purchase from farmers are treated and handled in the field, yet consumers are demanding full transparency and accountability on the chemical treatment of their food – AgEagle is the solution



Using AgEagle's advanced analytics and services, we establish a baseline farm index in several key areas that advance agricultural sustainability efforts



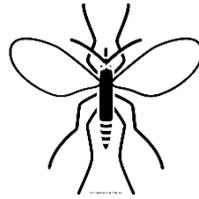
## Aerial Imagery

- › With thousands of photos taken per flight, AgEagle plans to collect the largest database of aerial imagery in the marketplace
- › Not only will the customers who pay for the data service get all the data from those images, but the data can also be scrubbed and sold to interested 3<sup>rd</sup> parties, such as commodity traders and seed companies



## Soil Sampling

- › Traditional soil analyzing has been done by agronomists for years and involves taking soil samples to labs to be tested and studied
- › Using artificial intelligence and machine learning, AgEagle will be able to use sensors that can instantaneously analyze the soil remotely through images and provide analysis



## Insects

- › Insects are one of the main factors that inhibit maximum yields for farmers
- › Using UAV imagery and advanced analytics, AgEagle is able to diagnose infestations of insects
- › Future use of machine learning should allow us to be able to identify the exact insect behind the infestation and subsequent crop damage



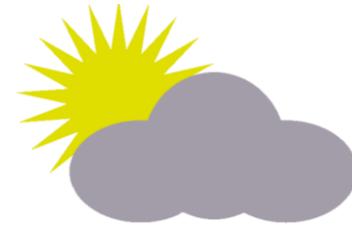
## Stand Count

- › One of the holy grails of data analytics based on UAV imagery, stand count will allow farmers to compare historical yields earlier in the growth process
- › Accurate stand count analytics will provide farmers with early diagnosis of seed germination results, thereby providing an opportunity to re-plant that wasn't possible before



## Inputs

- › While the goal is different for farmers and input providers in regards to amount of input used, the end goal of providing maximum yields remains the same
- › Consumers, who want the most natural product they can get, and farmers, who want to spend the least amount possible on inputs, will both benefit from the input data provided by AgEagle's platform



## Weather

- › One of the other main factors that inhibit maximum yields for farmers, weather is essential to farming
- › Any ability to predict the effect of the weather on crops, as well as the historical data captured in doing so, would help farmers save and cultivate their crop for maximum yields

# AgEagle's Plan for a Sustainability Product

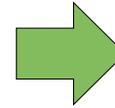
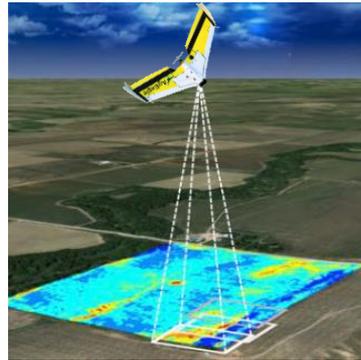
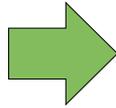
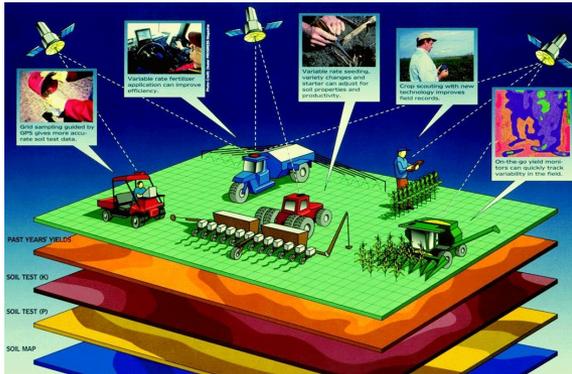
AgEagle works closely with a food manufacturer's contract farms to measure and advance the customer's sustainability goals before, during and after the cyclical grow seasons



# Connecting the Farm to Sustainability



AgEagle's product and data platform is uniquely designed to support different corporations' sustainability goals by tracking and documenting everything related to sustainability on the farm



**PepsiCo, Inc. (PEP)**  
 NasdaqGS - NasdaqGS Real Time Price. Currency in USD

Quote Lookup

**96.80** -0.35 (-0.36%) **96.80** 0.00 (0.00%)  
 At close: 4:00PM EDT After hours: 4:36PM EDT

Buy Sell

Summary Chart Conversations Statistics Profile Financials Options Holders Historical Data Analysis Sustainability

**Environment, Social and Governance (ESG) Ratings**

Total ESG score: **72** 98th percentile

Environment: **79** 99th percentile  
 Social: **66** 85th percentile  
 Governance: **73** 89th percentile

ESG Performance vs 91 Peer Companies

Environment: 35 to 79  
 Social: 34 to 76  
 Governance: 41 to 83

3 Significant Controversy level

ESG data provided by Sustainalytics, Inc. Last updated on 5/2018

Historical ESG Performance

bookit #1 IN ALL-INCLUSIVE RESORTS  
 50% OFF ALL-INCLUSIVE RESORTS  
 DEALS FROM \$81

**ESG Score for Peers**

Name	Total ESG score	E	S	G
NESR.HM	74	75	73	76
KOFL.MX	72	70	73	74
PEP (this company)	72	79	65	73
GUI.MU	71	77	71	64



**Positively Impact Corporate Sustainability Ratings**

Crop Year: 2017  
 Grower: John Jones Acres: 48.5 S/Row: 3.26  
 Farm: Johnson Crop: Corn Bu./Ac: 166.116  
 Field: 800-40 Totals: 114/2017  
 Sustainability Index: 7.0 - Degrading  
 Last Yield: 112.8 (54.6)  
 Available Costs: (\$7,133)

Yield (bu./ac.)

Area	Yield (bu./ac.)
1-18	~115
18-18	~110
18-18	~105
18-18	~100
18-18	~95
18-18	~90
18-18	~85
18-18	~80
18-18	~75
18-18	~70
18-18	~65
18-18	~60
18-18	~55
18-18	~50
18-18	~45
18-18	~40
18-18	~35
18-18	~30
18-18	~25
18-18	~20
18-18	~15
18-18	~10
18-18	~5
18-18	~0

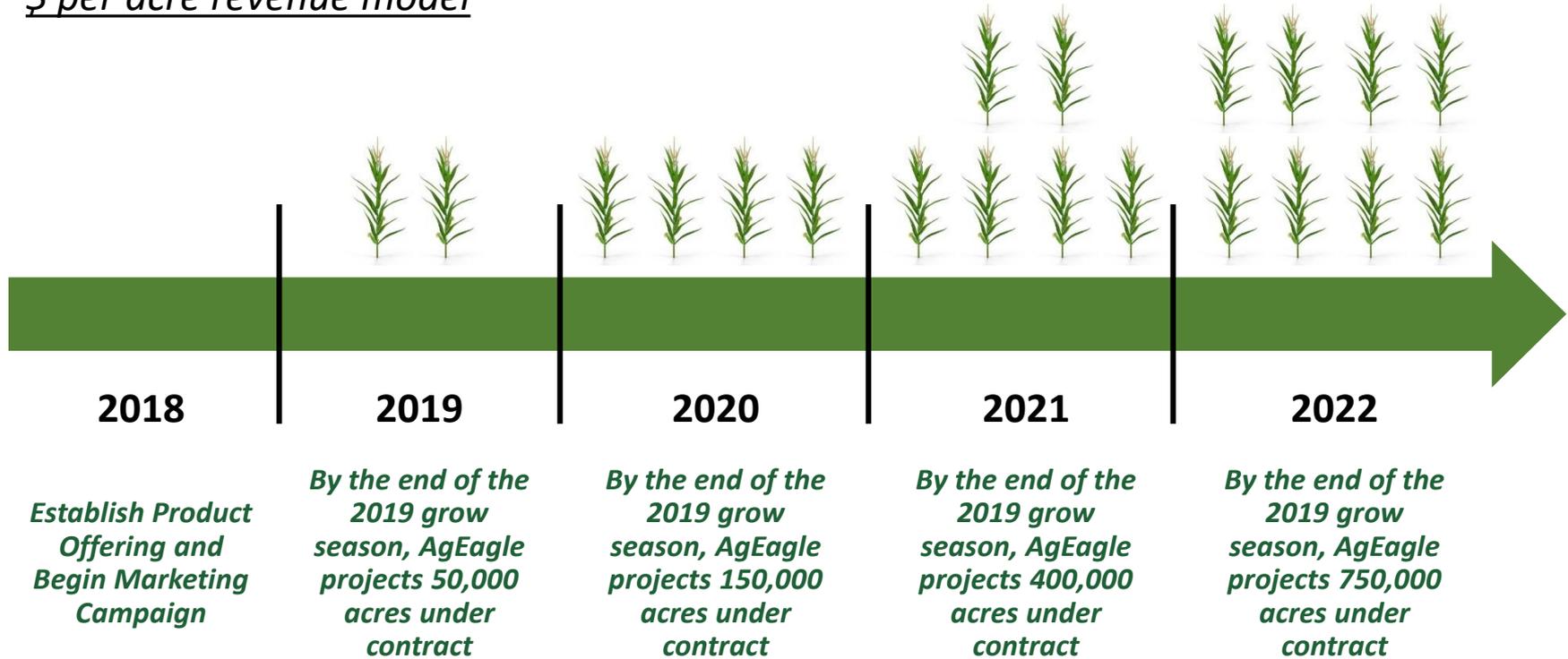
Category	Area	Probability	Sustainability Index	Notes
Emissions	GHG Emissions	1%	100%	1 Not used
	GHG Emissions	0%	100%	1 Not used
	Chemical Use	12%	90%	2 2.5 gal insecticides
	Buffer Zone	10%	90%	1 3 ft buffer between 11 buffer area
	Soil Erosion	10%	90%	2 25.0 gal of herbicide/acre
	Waterways/Water Quality	4%	90%	2 Access channels
	Energy Usage	34%	90%	3 25 gal insecticide
	Pest Control - Chemical Control	12%	90%	4 1.5 gal insecticide, over timing
	Resistance Management	10%	90%	4 No tillage use of herbicide
	Resistant Control	17%	72%	1 Herbicide control
Water	Water Use	100%	100%	1 No irrigation
	Water Quality	100%	100%	1 No irrigation
	Water Pollution	100%	100%	1 No irrigation
	Water Conservation	100%	100%	1 No irrigation
	Water Efficiency	100%	100%	1 No irrigation
	Water Recycling	100%	100%	1 No irrigation
	Water Reuse	100%	100%	1 No irrigation
	Water Treatment	100%	100%	1 No irrigation
	Water Discharge	100%	100%	1 No irrigation
	Water Pollution Control	100%	100%	1 No irrigation
Waste	Waste Management	100%	100%	1 No irrigation
	Waste Reduction	100%	100%	1 No irrigation
	Waste Recycling	100%	100%	1 No irrigation
	Waste Disposal	100%	100%	1 No irrigation
	Waste Treatment	100%	100%	1 No irrigation
	Waste Reuse	100%	100%	1 No irrigation
	Waste Recycling	100%	100%	1 No irrigation
	Waste Disposal	100%	100%	1 No irrigation
	Waste Treatment	100%	100%	1 No irrigation
	Waste Reuse	100%	100%	1 No irrigation

# AgEagle's Projected Market Approach



AgEagle has an aggressive, forward-looking strategy to usher in a new foundation in sustainable agriculture for corporate sustainability programs around the world

## \$ per acre revenue model





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## Contact

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