



Sustainability Bond Allocation Report

February 2023

ADM Sustainability Strategy

Sustainability is a pillar of ADM's growth strategy and a foundation of our purpose as a company.

At ADM, sustainable practices and a focus on environmental responsibility are not separate from our primary business: they are integral to the work we do every day to serve customers and create value for shareholders. Fulfilling our purpose to unlock the power of nature to enrich the quality of life is made possible by our efforts in environmental, social and governance (ESG). Consumers around the world expect that food and beverage products come from sustainable ingredients produced by companies that follow similar standards. Therefore, ADM has been working independently and with other stakeholders to advance the critical work to end deforestation, preserve biodiversity, reduce greenhouse gas emissions and conserve resources in our operations and across the entire food and agriculture supply chain. Our relationships with farmers around the globe give us unparalleled opportunities to combat greenhouse gas emissions on the farm and advance sustainable agriculture practices. We have set aggressive goals to reduce the environmental impact of our own operations. Our array of innovative, bio-based products offer alternatives to everything from traditional meats to petroleum-based products.

Honesty and integrity – of our colleagues and our partners – are core foundations of our culture. We uphold the principles listed in our Code of Conduct to ensure the company always operates fairly and ethically. ADM is devoted to Diversity, Equity and Inclusion (DEI) in addition to Human Capital Management. We prioritize and strive to protect the human rights of our employees, those within our value chain, and those within the communities in which we operate. As we continue

to have a direct impact on several communities around the world due to our sourcing practices, we use the United Nations Human Development Index (HDI) to prioritize higher-risk geographies and commodities within our global reach.

ADM conducts regular materiality assessments, in accordance with the Global Reporting Initiative (GRI) Framework, to identify and prioritize our key sustainability topics. With there being so many sustainability-related matters, conducting these materiality assessments allow us to focus our efforts on topics that reflect the economic, environmental, and social impacts that are the most significant to our strategy and business operations, and to our stakeholders. The most recent assessment, completed in Q1 2021, indicated several key topics that are consistent across all stakeholder groups as critically important: "GHG Emissions," "Deforestation & Conversion," "Governance," and "Water Management." To assist in addressing these topics, we developed our [Sustainable Financing Framework](#), and we intend to use this Framework to identify sustainable financing opportunities to help provide solutions to these complex issues and bring us closer to achieving our purpose.

Sustainable Financing Program

In February 2022, we successfully issued our inaugural sustainability bond with net proceeds to be utilized toward eligible environmental and social projects that meet specific criteria as outlined in ADM's Sustainable Financing Framework. This first bond issuance, amounting to \$743.5 million of net proceeds, was initiated to finance and/or refinance impactful projects that advance the company's sustainability strategy, particularly related to climate obligations, responsible sourcing practices, and community engagement.

To facilitate the allocation of the associated funds, we have established the Sustainable Finance Committee with representation across our internal Sustainability, Treasury, Legal, Procurement, and Operations units. This Committee is responsible for identifying, evaluating, and selecting projects based on the eligibility criteria outlined in the Sustainable Financing Framework while ensuring a comprehensive external verification process for project-related expenditures.

For an environmental or social project to be eligible, it is expected to fall within one or more of the following categories:

- Sustainable Aquaculture and Animal Husbandry
- Sustainable Agriculture
- Green Buildings
- Energy Efficiency
- Renewable Energy
- Clean Transportation
- Waste and Waste Management
- Pollution Prevention and Control
- Socioeconomic Advancement and Empowerment
- Food Security and Sustainable Food Systems



Summary of Allocation

Since the initial issuance of ADM's sustainability bond in February 2022, \$376.1M has been allocated to projects that address multiple eligible environmental and social categories within the Sustainable Financing Framework. These allocations include the refinancing of existing projects that met the established eligibility criteria and leaves \$367.4 million of net proceeds yet to be allocated. An overview of these projects and a breakdown of the FY 2022 allocation has been summarized below:

Sustainable Aquaculture and Animal Husbandry – ADM is collaborating with a strategic partner to construct and operate the world's largest insect protein production site to be co-located with our Decatur corn processing complex. ADM will provide waste heat and corn by-products to support the insect rearing process, establishing an innovative and sustainable method of producing animal feed protein.

Sustainable Agriculture – Funds have been allocated toward the expansion of ADM's alternative protein capabilities through the acquisition of a leading European provider of non-GMO soy ingredients. This acquisition enables local sourcing of non-GMO soybeans – within 100 km of production facility - to meet the demand for plant-based protein while reducing emissions from transportation.

Socioeconomic Advancement and Empowerment – Through a joint venture, ADM has developed a fully traceable supply chain in which vanilla is purchased above market price with extra spend being used to fund social and environmental programs within the growers' communities. Farmer associations are empowered to allocate these profits in ways that will make immediate positive impacts in their communities and towards educational resources that promote sustainable agricultural practices.

Project Category	Total FY22 Allocation (USD)	Percentage of Allocation
Sustainable Aquaculture and Animal Husbandry	\$23.1M ¹	6%
Sustainable Agriculture	\$277.0M ¹	74%
Socioeconomic Advancement and Empowerment	\$76.0M ²	20%

¹Expenditures made in FY 2021

²Expenditures made March 1, 2019 – February 28, 2022



Project Highlight: SAVAN

Responsible sourcing is a hallmark of ADM's sustainability strategy and was the basis for the development of SAVAN™ (Sahanala ADM Vanilla), a joint venture partnership with Sahanala Madagascar SA that represented a first-of-its kind farmer-owned supply chain for vanilla beans in Madagascar. Proceeds from our inaugural sustainability bond issuance were allocated toward the procurement of sustainably sourced vanilla from SAVAN. The price premium that ADM pays for these sustainable beans supports social and environmental programs for growers. These programs include agronomic education to improve yields and product quality, mobile technology to support organic-certified traceability, and community investments such as improved healthcare access and food programs.

Through SAVAN's unique ownership structure, more than 6,000 smallholder vanilla farmers are currently impacted, as well as over 9,000 farmers involved in other industries. This project and the associated community investments have led to more than 70,000 people being positively impacted. SAVAN represents an opportunity for ADM to work alongside local farmers to advance sustainable and traceable sourcing efforts while meeting consumers' demands for 'direct-from-farmer' and organic ingredients.

Impact:

6,000+ *vanilla farmers directly supported*

9,000+ *farmers supported across multiple industries*

70,000+ *community members positively affected*

Appendix A: ADM Management's Assertion



Archer Daniels Midland Company
Management's Assertion

We assert that \$376.1 million (the "Allocated Amount") of net proceeds from the 2.900% notes due 2032 issued on February 28, 2022, by Archer-Daniels-Midland Company ("ADM") was allocated to expenditures incurred on qualifying Eligible Projects during the period from February 28, 2022, through December 31, 2022 (the "Reporting Period"), to the expenditures incurred during the period from March 1, 2019, to December 31, 2022, for the qualifying Eligible Projects. The Allocated Amount is based on qualifying Eligible Projects based on the Criteria (each as defined in the "Use of Proceeds" section of the Prospectus Supplement dated February 23, 2022, to the Prospectus dated July 31, 2020, and filed by ADM on February 24, 2022, with the Securities and Exchange Commission pursuant to Rule 424(b)(2) under the Securities Act of 1933, as amended) and set forth below. Management of ADM is responsible for this assertion, selection of the Criteria and the allocation, during the Reporting Period, of amounts to projects that meet the Criteria.

Eligible Projects

Sustainable aquaculture and animal husbandry projects - Which include investments and expenditures (including research and development ("R&D")) to reduce the environmental impact and resource use

associated with aquaculture and animal husbandry;

Sustainable agriculture - Which includes investments and expenditures to protect, restore and promote sustainable use of terrestrial ecosystems;

Green buildings - Which include investments and expenditures to conserve water and reduce carbon emissions, energy usage and waste related to the design, construction, maintenance or refurbishment of buildings;

Energy efficiency - Which includes investments and expenditures related to improving and optimizing energy efficiency;

Renewable energy - Which includes investments in the generation capacity for renewable energy and expenditures related to the procurement of renewable energy;

Clean transportation - Which includes expenditures to reduce the emissions of our transportation fleet;

Water and waste management - Which include expenditures to reduce water consumption and improve water quality, including investments in wastewater treatment infrastructure and water metering equipment;

Pollution prevention and control - which include expenditures (including R&D and capital expenditures) for projects related to the reduction of waste, improvement of recycling and reduction of air emissions;

Socioeconomic advancement and empowerment - Which include investments and expenditures to empower women and smallholders socially and economically through microfinancing programs and training programs for female farmers; and

Food security and sustainable food systems - Which include investments to empower smallholder farmers and promote environmentally-responsible farming practices.

Eligible Projects exclude any expenditures related to fossil fuel technologies.

Appendix B: EY Assurance Report



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Report of Independent Accountants

To the Management of Archer-Daniels-Midland Company

We have examined Management's Assertion, included in Appendix A to the Sustainability Bond Allocation Report dated February 2023, that \$376.1 million of the net proceeds from the issuance of the 2.900% Senior Notes due 2032 issued by Archer-Daniels-Midland Company ("the Company") was allocated, during the period from February 28, 2022 through December 31, 2022 (the "Reporting Period"), to expenditures incurred during the period from March 1, 2019 to December 31, 2022 for qualifying Eligible Projects (as defined in the "Use of Proceeds" section of the Prospectus Supplement dated February 23, 2022, to the Prospectus dated July 31, 2020, filed by Archer-Daniels-Midland Company on February 24, 2022, with the Securities and Exchange Commission pursuant to Rule 424(b)(2) under the Securities Act of 1933, as amended) based on the Eligible Projects criteria set forth in Appendix A (the "Criteria"). Archer-Daniels-Midland Company's management is responsible for the assertion, having a reasonable basis for its assertion, selection of the Criteria and the allocation, during the Reporting Period, of amounts to projects that meet the Criteria. Our responsibility is to express an opinion on the assertion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants ("AICPA"). Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's assertion. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent of the Company and to meet our other ethical responsibilities, as applicable for examination engagements set forth in the Preface: Applicable to All Members and Part 1 – Members in Public Practice of the Code of Professional Conduct established by the AICPA.

Our examination was not conducted for the purpose of evaluating (i) whether funds in excess of the net proceeds were allocated to Eligible Projects during the Reporting Period, (ii) the amount allocated to each category of Eligible Projects during the Reporting Period, (iii) the environmental or social benefits of the Eligible Projects, (iv) conformance of any Eligible Projects with any third-party published principles, standards or frameworks, such as the Green Bond Principles, dated June 2021, the Social Bond Principles, dated June 2021, and the Sustainability Bond Guidelines, dated June 2021 each published by the International Capital Market Association or (v) any information included in the Company's report or on the Company's website, other than management's assertion. Accordingly, we do not express an opinion or any other form of assurance other than on management's assertion included in Appendix A.

In our opinion, management's assertion, included in Appendix A, that \$376.1 million of the net proceeds from the issuance of the 2.900% Senior Notes due 2032 were allocated during the Reporting Period to qualifying Eligible Projects, is fairly stated, in all material respects.

February 24, 2023







Appendix C: Eligibility Criteria

We expect to apply an amount equal to the net proceeds of any green, social, or sustainability bond (each, a “Sustainable Bond”) issued to finance and/or refinance, in whole or in part, one or more new and/or existing eligible Green Projects and/or eligible Social Projects (together, “Eligible Projects”).

Eligible Green Projects are investments and expenditures made by ADM or any of our subsidiaries that contribute to environmental objectives such as: sustainable aquaculture and animal husbandry, sustainable agriculture, green buildings, energy efficiency, renewable energy, clean transportation, water and waste management, and pollution prevention and control.








Eligible Social Projects are investments and expenditures made by ADM or any of our subsidiaries that aim to address or mitigate a specific social issue and/or seek to achieve positive social outcomes especially, but not exclusively, for certain target populations, such as: socioeconomic advancement and empowerment, and food security and sustainable food systems.

We expect that each of our Eligible Projects will meet one or more of the following eligibility criteria¹:

Green or Social Eligible Project Category	Eligibility Criteria	Sustainable Development Goal (SDG)
Sustainable Aquaculture and Animal Husbandry	Investments and expenditures (including research and development (“R&D”)) to reduce the environmental impact and resource use associated with aquaculture and animal husbandry	 
Sustainable Agriculture	Investments and expenditures to protect, restore, and promote sustainable use of terrestrial ecosystems	 
Green Buildings	Investments and expenditures to conserve water and reduce carbon emissions, energy usage, and waste related to the design, construction, maintenance or refurbishment of buildings	
Energy Efficiency	Investments and expenditures related to improving and optimizing energy efficiency	

¹This table is an abbreviated version of the Eligible Projects table that can be found in the [Sustainable Financing Framework](#).

Appendix C: Eligibility Criteria continued

Green or Social Eligible Project Category	Eligibility Criteria	Sustainable Development Goal (SDG) Alignment
Renewable Energy	Investments in the generation capacity for renewable energy and expenditures related to the procurement of renewable energy	
Clean Transportation	Expenditures to reduce the emissions of our transportation fleet	
Water and Waste Management	Expenditures to reduce water consumption and improve water quality, including investments in wastewater treatment infrastructure and water metering equipment	
Pollution Prevention and Control	Expenditures (including R&D and capital expenditures) for projects related to the reduction of waste, improvement of recycling and reduction of air emissions	
Socioeconomic Advancement and Empowerment	Investments and expenditures to empower women and smallholders socially and economically through microfinancing programs and training programs for female farmers	
Food Security and Sustainable Food Systems	Investments to empower smallholder farmers and promote environmentally-responsible farming practices	 

Exclusions: Any expenditures related to fossil fuels technologies are explicitly excluded from allocation to any Eligible Project.

Appendix D: Disclaimer

Disclaimer regarding Sustainable Financing Framework:

The Sustainable Financing Framework is intended to provide non-exhaustive, general information. The Sustainable Financing Framework is not intended, nor can it be relied on, to create legal relations, rights or obligations. The information and opinions contained in the Sustainable Financing Framework are provided as of the date of the Framework and are subject to change without notice. Please refer to the [Sustainable Financing Framework](#) for additional considerations regarding the Framework.

Forward-Looking Statements:

Some of the information contained in this Report constitute forward-looking statements. These statements are based on many assumptions and factors that are subject to risk and uncertainties. ADM's filings with the SEC provide detailed information on such statements and risks, and you should carefully review the assumptions and factors in our SEC reports. To the extent permitted under applicable law, ADM assumes no obligation to update any forward-looking statements as a result of new information or future events.