



June 30, 2022

Statement on the California Transparency in Supply Chains Act and UK Modern Slavery Act

A critical component of ADM's efforts to enrich lives around the world is our commitment to creating positive impacts for the people throughout our value chain, and the communities in which we live and work. As part of that commitment, ADM is proud to disclose its efforts to eliminate slavery and human trafficking in product supply chains, in compliance with the California Transparency in Supply Chains Act of 2010 and the UK Modern Slavery Act of 2015.

ADM, its subsidiaries and its joint ventures strongly support human rights, and we expect our business partners to treat their employees with dignity and respect. We will never knowingly use suppliers who employ or exploit legally underage workers or forced labor and will not condone such practices. In order to enforce these strict standards, we have implemented the following programs and policies related to our human rights commitments.

Corporate Programs and Policies

Governance

Our sustainability efforts are led by our Chief Sustainability Officer (CSO), who is supported by regional sustainability teams in North America, South America, and EMEAI. Sustainability-related risks are reviewed quarterly through ADM's Enterprise Risk Management process. The CSO provides sustainability updates to the Board of Directors at each quarterly meeting. The Sustainability & Corporate Responsibility Committee of the Board of Directors has direct oversight responsibility of the objectives, goals, strategies, risks and activities of the Company related to sustainability, including its human rights program and reviews progress and updates on a quarterly basis.

Human Rights Policy

In 2021, we updated our [Human Rights Policy](#) to improve clarity and align with the United Nations Guiding Principles (UNGP) framework. The ADM Human Rights Policy is approved by our Chief Executive Officer. The implementation of this policy is the responsibility of the Sustainability team led by its CSO. The Policy promotes the practice of Human Rights Due Diligence and emphasizes the prevention of:

- *Forced, Bonded, or Compulsory Labor* - employees should not be charged fees in exchange for employment or have collateral in the form of money, identification or other personal belongings held – without workers’ consent – as a condition of employment.
- *Child Labor* - defined as work that is hazardous to children’s health, safety or morals, work that interferes with compulsory education or for which they are simply too young. All workers in our operations and our supply chain must meet the minimum age to work as defined by ILO Convention 138 as well as applicable local laws and regulations.
- *Harassment and Discrimination* - we prohibit discrimination in our operations and supply chain on the basis of race, color, religion, sex, gender identity, national origin, immigration status, disability, age, sexual orientation, marital status or any other status protected by local law. We prohibit harassment and abuse. These prohibitions extend to migrant workers.

The Human Rights Policy also aims to protect the following:

- *Freedom of Association and Collective Bargaining* - We respect employees’ right to join, form or not to join a labor union without fear of reprisal, intimidation, or harassment.
- *Diversity and Inclusion* - We strive to ensure that our workplace is one of inclusion and acceptance. The diversity of our individual backgrounds, experiences and ways of thinking is an important driver in ADM’s success.
- *Safe and Healthy Working Conditions* - We will provide a safe and healthy working environment and comply with applicable health and safety laws and regulations. We will maintain systems and procedures designed to keep workers safe and protect them from occupational hazards, harassment and abuse.
- *Proper Working Hours, Wages and Benefits* - All employees in our operations and supply chain will be compensated in accordance with all applicable local laws and regulations including those related to minimum wage and overtime pay. Working hours must be in line with legal requirements and any collective bargaining agreements applicable to the location.
- *Land Rights* - We respect land-tenure right and the rights of indigenous and local communities to give or withhold their free, prior and informed consent (FPIC) to operations on lands to which they hold legal or customary rights. We expect all suppliers to uphold the principles of FPIC in their operations and business dealings.
- *Access to Water* - We respect the right to access safe and clean drinking water and sanitation in our operations and supply chain.

Please refer to our [ADM Human Rights Policy Implementation Progress Report 2021](#) for an overview of our goals and plans as well as activities and actions related to respect for human rights and sustainability in 2021.

Training

ADM Colleagues receive regular trainings, reinforcing the duty to know and abide by our Company's core values, policies, procedures and guidelines. In addition, all new hires receive Code of Conduct training in the beginning of their employment. In 2021, 99% of colleagues completed Human Rights Training.

Supplier Mandate

We expect all of our suppliers to:

- Know, understand, and follow laws and regulations that govern work done on our behalf.
- Never use child labor or forced or bonded labor.
- Refrain from using labor brokers who charge fees to jobseekers in exchange for employment.
- Have appropriate measures in place to ensure eligibility for employment.
- Compensate workers in accordance with all applicable local laws and regulations.
- Provide working conditions that comply with applicable laws and industry norms.

For more information view [ADM Supplier Expectations](#), [ADM Code of Conduct](#) and [Human Rights Policy](#).

Compliance Assurance

Supplier Risk Assessment

- In 2018 and 2019, ADM engaged Elevate, a third-party consultant in sustainable supply chain services, to conduct a supplier risk assessment of human rights compliance in our supply chain. The analysis mapped the supply chain for key commodities based on inherent sourcing risks and business leverage insights to determine which segments have the highest risk profiles and which provide the greatest opportunity for ADM to influence positive change.
- Assessment consisted of three phases:
 - Phase 1 – Macro (country and commodity) level risks – this phase was designed to identify high-risk and high-leverage suppliers to assess in phase two. From a pool of over 300,000 suppliers, 15 commodities (based on procurement spend and stakeholder concern) sourced from more than 100 countries were assessed at a macro level.

- Phase 2 – Micro (site/farm) level risks – using the results from phase one, eight commodities (corn, soy, wheat, palm, apples, macadamias, peanuts and pecans) in 20 countries from 1,132 suppliers were assessed.
- Phase 3 – Macro and micro analysis of the company’s vanilla business.
- From these preliminary results, we were able to begin crafting a due diligence program that ensures effective risk mitigation strategies. There are several ongoing projects that aim to bolster our mitigation processes throughout our supply chain:
 - *Standard Operating Procedure:*
 - We have been working this past year to develop a Human Rights Standardized Operating Procedure (HR SOP) for supplier engagement. The HR SOP will dictate how we assess risk and assign risk categories for all suppliers, as well as mitigation strategies and action plan development. As we continue to develop this framework, mitigating human rights risks will be at the forefront; working with our suppliers to assess and address risks increases transparency and enables collaboration to protect human rights throughout our supply chain.
 - *EiQ Analysis*
 - Utilizing Elevate’s risk analysis tool, EiQ, ADM in undertaking a risk-ranking process for commodities and countries. The EiQ tool combines news articles, government, sector, and commodity data to conduct highly detailed risk analyses. Its risk matrix can then be used to determine mitigation steps. This comprehensive platform allows us to standardize risk ranking and scoring mechanisms, evaluate specific risks within different supply chains, monitor news and press, and ensure proper focus on salient human rights risks.
 - *SEDEX Membership and Social Compliance Audits*
 - We have been working closely with SEDEX, a third-party data exchange platform focused on responsible sourcing, to connect to our direct suppliers via their platform. SEDEX is a not-for-profit organization dedicated to driving improvements in responsible and ethical business practices – including labor standards – in global supply chains. Linking to suppliers through SEDEX provides visibility into our supply chain and insight into potential risks as well as our suppliers’ corrective action plans. Reviewing suppliers’ social compliance audits and self-assessment questionnaires (SAQ) allows for active monitoring of our supplier’s efforts to prevent human rights violations and mitigate risks. While we are actively looking to use SEDEX as our standard method for assessment, we are also looking into comparable social compliance audits to allow flexibility for our suppliers to demonstrate compliance.

- Select ADM facilities register with SEDEX, maintain a self- assessment questionnaire and periodically host and complete 3rd-party SEDEX audits. The human rights portion of these audits includes assessments of facility conditions, child labor, forced/bonded labor, eligibility for employment, ethical recruitment, safety, discrimination, harassment and abuse, compensation, freedom of association and collective bargaining, and indigenous populations and communities.
- In addition to tracking all audit outcomes and corrective actions, ADM reports on specific KPIs, in accordance with our Human Rights program. At the 39 ADM facilities visited in 2021, there were no fees charged to jobseekers in exchange for employment and no collateral was taken in the form of money, identification or other personal belongings (without workers’ consent) as a condition of employment by ADM or contracted companies. Additionally, no human trafficking was observed.
- In 2022, ADM will focus on connecting all applicable direct suppliers to the SEDEX platform to increase visibility across our supply chain.

ADM Way Helpline

- ADM hosts a 24-hour phone line, an email address, and a mailing address where violations of applicable laws, regulations, and our policies can be reported (anonymously where permitted by applicable law), promptly and thoroughly investigated, and handled as appropriate.
- Anyone who violates applicable laws, regulations, or our policies will be subject to disciplinary action, up to and including termination.

Public-Facing Grievance Mechanism

- ADM has a protocol that outlines our workflow and response mechanism for addressing concerns and inquiries pertaining to deforestation or human rights violations in our supply chain.
- The grievance mechanism is available to any party – internal or external – who wants to voice a concern by emailing responsibility@adm.com.
- Allegations of violations of our [Policy to Protect Forests, Biodiversity and Communities](#) or [Human Rights Policy](#) will be investigated according to the protocol, and results will be added to the [Grievance and Resolution Log](#) on our website, www.adm.com.
- In 2021, there were allegations of human rights violations in our supply chains. Each was investigated and addressed in accordance with our protocol, and the outcomes were published in our log. Information on the status of the investigations can be found in the ADM [Grievance and Resolution Log](#):

- US Customs and Border Control – allegations of human rights violations in the supply chain indirectly via third party suppliers and directly with a parent company.
- Global Witness – multiple reports of human rights violations, including indigenous rights and land tenure disputes.
- Local community – reports of NDPE violations in the supply chain indirectly via third party suppliers/traders at Chora Agro Resources, PT Mitra Abadimas Sejahtera.

Product-Based Programs and Policies

Based on the initial risk assessment conducted by Elevate, our efforts have been focused on three commodity sourcing areas – soy, palm, and vanilla.

Soy

- Responsible Soy: Commitment to no exploitation of people or local communities as part of our effort to help develop a more sustainable supply chain for South American soy. Business will not be conducted with suppliers who violate our soy supply chain policies repeatedly and refuse to take action to comply.
- As a member of the Soft Commodities Forum (SCF), ADM committed and achieved in 2020 full traceability to farm for direct suppliers in the priority municipalities that account for almost 70% of all conversion within the Cerrado biome.
- Signatory to the National Agreement to Eradicate Slave Labor in Brazil: Commitment to refrain from negotiating with companies included in the “Lista Suja,” or “dirty list,” maintained by the Brazilian Ministry of Labor.
- ADM Responsible Soy Standard: Participating growers in Brazil face periodic audits that will assess their adherence to a broad set standard, including labor practices and legal compliance.
- Member of the Round Table on Responsible Soy (RTRS): International organization whose certification system assures that soybeans originate from a process that includes responsible labor conditions.
- Member of the World Business Council for Sustainable Development (WBCSD) who share the same goals regarding No Deforestation and No Exploitation in their supply chains.
- Doing it Right (Produzindo Certo): Effort with Aliança da Terra, a not-for-profit sustainable farming group founded by farmers, to educate Brazilian farmers and emphasize fair labor conditions.
- ADM Paraguay together with the NGO “A Todo Pulmon”, supported a reforestation project in Colonia Independencia, Guairá. During 2021, 50,000 native tree seedlings have been planted.

- In 2021, ADM Brasil began working with Parque Vida e Cerrado, a regional hub for restoration, scientific ideation and environmental education. Together, we have developed a project aiming to restore degraded areas in the Brazilian Cerrado.
- Since 2018, specialized firms with GIS technology (satellite imaging) have been cross-referencing planted areas within the farm polygons of our direct suppliers in high-risk areas to determine if the soy being sourced is compliant with our policy. Farms are also verified to make sure there are no environmental issues (embargoed areas), encroachment into protected areas or Indigenous Territories, or labor issues which violate our Human Rights Policy.
- Our Policy to Protect Forests, Biodiversity and Communities includes no exploitation of people and local communities in accordance with our Human Rights Policy, emphasizing the respect of Indigenous Rights and Labor Rights. In 2021, ADM continued to map our South American soybean supply chain and implement action plans that incorporate elements of our Human Rights Policy. In particular, supplier contracts in Brazil have been updated to include a clause prohibiting exploitation and human rights violations; furthermore, suppliers are being sent training documents which outline our Human Rights Policy and the No Exploitation portion of our Policy to Protect Forests, Biodiversity and Communities. Please refer to our [sustainability progress reports](#) for more information on our progress on sustainable soy initiatives.

Palm

- Responsible Palm Oil: Commitment to no exploitation of people or local communities as part of our effort to help develop a more sustainable supply chain for palm oil, palm kernel oil and palm derivatives. Business will not be conducted with suppliers who violate our palm oil supply chain policies repeatedly and refuse to take action to comply.
- Member of the Roundtable on Sustainable Palm Oil (RSPO): International organization that develops global certification standards for sustainable palm oil based upon an exacting set of criteria, including the fair treatment of workers. Efforts continue to increase the total amount of RSPO-certified products we offer.
- ADM has engaged with 100% of its direct palm kernel expeller (PKE) suppliers in Indonesia and Malaysia. The engagement process includes discussions on various sustainability topics including:
 - ADM's responsible palm policies and commitments.
 - Increasing traceability scores.
 - Assessing tier one suppliers using the palm scorecard.
- Policy to Protect Forests, Biodiversity and Communities: ADM commits to build traceable and transparent agricultural supply chains that protect forests, biodiversity and communities worldwide. This policy covers the overarching commitments

applicable to all supply chains, as well as the more specific commitments to address the complexity of palm oil and soy supply chains.

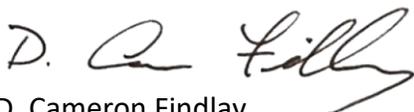
- Transformation efforts in Sabah, Malaysia: Due to Covid -19 movement restrictions, smallholder outreach was conducted through webinars and mobile interactions instead of field activities. A total of 161 smallholders were outreached up until the end of Q 3 2021. Earthworm's (EF) Child Risk Assessment Framework (CRAF) was piloted with a plantation company, in two oil palm estates, supporting them to identify critical issues affecting children living at the site in order to develop policies, procedures, and interventions. A total of 415 workers were reached indirectly, and 486 children were directly engaged. Diagnostics, through an ongoing desktop analysis to understand deforestation into forest reserves and to develop interventions, is progressing. Approximately 9,500 hectares of elephant range are covered by conflict mitigation activities that are managed by a multi -stakeholder collaboration that is facilitated by EF. Furthermore, engagements with the local government agencies related to palm oil certification are advancing into the final stages of creating a joint program to improve supply chain traceability among palm oil dealers.
- Labor Assessment Builder Program – Colombia: In this project, ADM supports the multi -stakeholder alliance of The Netherlands Oils and Fats Industry (MVO); Aceites S. A. /Palmaceite S. A.; Colombian National Federation of Palm Growers (Fedepalma), and Solaridad, an international nonprofit. The Colombian palm mills Aceites S. A. and El Roble S. A. S. have undergone an analysis of their respective policies to identify gaps and receive input on how to close them. The respective smallholders supplying to these mills were also benchmarked against the RSPO, ISCC, and SA8000 Voluntary Sustainability Standards (VSS). Recommendations for improvements were made for business policies to comply with the VSS. Current ongoing activities include the design and documentation of the Health and Safety system for producers; structuring the certification group of independent smallholder producers; and development of training plans for labor rights, VSS, and emergency care issues. The implementation and training will begin in the next phase of the project.
- ADM continues to participate as an active member in the NDPE IRF Active Working Group to drive progress on reporting against NDPE criteria. ADM has engaged with all its direct suppliers on the provision of their respective NDPE IRF profiles. A total of 94.3% of volumes are covered under the reporting. The weighted average performance of direct suppliers based on volumes stands at 90.59%. In July 2021, ADM underwent verification of each individual site profile by an independent third-party. Volumes sourced from January to December 2020 were covered. The audit was conducted in accordance with the [NDPE Data Verification Protocol version November 2020](#).

Vanilla

- In 2018, ADM acquired Rodelle Inc., a premium originator, processor and supplier of vanilla products with supply chains in Madagascar and Uganda. In 2019, ADM conducted supply risk analysis of those supply chains and has been working since to develop a unique farm-level assessment process to ensure voices are given to our growers.
- ADM sources vanilla directly from growers through a joint venture with grower cooperatives in Madagascar. The joint venture offers many community programs to help support the growers in the supply chain, including health offices, education support, and access to training and market information.
- In 2021, ADM continued the implementation of a grower-level compliance verification program.
- ADM worked with a third party to develop a vanilla sourcing standard that is now being implemented across operations.
- Based on the developed standard, created in 2020, a self-assessment questionnaire (SAQ) was developed and implemented. The growers and associations in our supply chain are able to respond directly to the survey, and the results are evaluated and reviewed by ADM and Elevate to determine action plans and improvement opportunities.
- ADM expanded its audit program in 2021 to encompass more regions of Madagascar, ensuring further representation and engagement with more growers.
- The results of these audits and SAQ responses are currently under review and will shape the future of our program.

This statement constitutes ADM's disclosure pursuant to the California Transparency in Supply Chains Act of 2010 (Cal. Civ. Code § 1714.43). It also constitutes ADM's slavery and human trafficking statement pursuant to section 54(1) of the U.K. Modern Slavery Act 2015 for the financial year ending December 31, 2021.

This statement is subject to approval by the Sustainability and Corporate Responsibility Committee of the Board of Directors of ADM.



D. Cameron Findlay
Senior Vice President, General Counsel and Secretary