



A Decade of Impact

Toward Deforestation-
and Conversion-free
Supply Chains
2015 – 2025



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CEO Letter



A Decade of Transformation

Ten years ago, ADM made a commitment to eliminate deforestation from our agricultural supply chains. With our December 31, 2025, milestone behind us, I'm proud to share that the areas of our supply chain with greatest risk meet our deforestation-free definitions, in line with our goal: developing verified traceability, monitoring and supplier engagement processes for our priority commodities and sourcing regions.

- To date, much of our focus has been on soy sourced from South America, and palm from Southeast Asia, regions where we have identified elevated risks of deforestation within our supply chain. We have made significant progress, beginning with establishing traceability to farm- and mill-level in order to map our sourcing to known areas of deforestation, as confirmed by a third-party auditor: **100 percent traceability of soy in South America and India** with farm-level traceability for direct suppliers and traceability to the first aggregation point for indirect suppliers.¹ This was achieved through new verification protocols that cascade sustainability requirements through multiple trading tiers. In high-risk regions, we are focusing resources to improve visibility of soy volumes being sourced by our indirect suppliers. **100 percent traceability across our palm oil supply chain.**

We've achieved 97.6 percent traceability at the plantation level and 100 percent at the mill level through comprehensive monitoring and verification systems.

- **100 percent traceability of palm kernel expeller (PKE) to crushing plants**, a leading milestone in the industry. Our PKE program engages suppliers new to sustainability, turning a neglected byproduct into a model for responsible sourcing.

By establishing traceability, assessing risk, and engaging and monitoring suppliers in at-risk areas, we are able to assess sourcing volumes in-line with our commodity-specific definitions of deforestation- and conversion-free. These definitions include No Deforestation, No Peat, No Exploitation (NDPE) for palm, and Deforestation- and Conversion-free (DCF) for soy.

As of the end of 2025, we are confident that our sourcing of soy from South America and of palm from Southeast Asia – together, the areas of our supply chain with greatest risk – meets our deforestation-free definitions, in line with our 2025 goal. We continue to work to maintain this status through our monitoring and due diligence approach (set out in further detail on pages 8 and 9), and to verify deforestation-free status for the nine other material commodities we added to our commitment in 2023.

1. See Glossary for definitions of direct and indirect suppliers for soy and palm. Unless stated otherwise, all percentages, area figures, and traceability coverage reflect ADM's current risk-based due diligence methodology. Figures are continuously monitored and may be revised as datasets improve.

All this was made possible by broad engagement and a diverse collaboration of stakeholders from each agricultural value chain. At its heart are 44,000 ADM colleagues driving change across more than 180 countries, with customers committed to responsible sourcing.

Our sustainability teams have collaborated with experts and peers to develop standards that serve as clear guidance for responsible sourcing. Data scientists have analyzed digital satellite imagery, while technical specialists have designed and enhanced monitoring systems. Commercial teams have trained merchandisers and engaged suppliers to align with our sourcing standards. Implementation partners have supported farmers with new and improved management practices, and thousands of farmers and aggregators have adopted these practices to help safeguard forests and benefit local communities. We were able to unite for action and amplify impact thanks to participation across many multistakeholder platforms, including the Roundtable on Sustainable Palm Oil (RSPO), Palm Oil Collaboration Group (POCG), Roundtable for Responsible Soy (RTRS), and Soft Commodities Forum (SCF).

A third-party auditor, Control Union, reviews our due diligence processes annually to ensure they align with our stated policies and procedures (see [page 10](#)). Where gaps persist, including for

other material commodities, we're accelerating to close them and secure full alignment. Beyond deforestation, we're prioritizing nature and biodiversity, including restoration through our partnerships with Restor and Parque Vida e Cerrado.

We acknowledge that challenges remain, for us and for our industry at large. In some regions, progress toward eliminating deforestation continues to face pressure, and globally, the conversion of primary native vegetation remains embedded in many supply chains, even as monitoring technologies have improved. As we celebrate our achievements to-date, we must work hard to secure the progress we have already made, by maintaining internal monitoring systems and collaborating with external partners. And we must continue to expand our efforts to address and mitigate deforestation risks from across our agricultural supply chains.

The journey continues. Together with customers, suppliers, and communities, we remain committed to supply chains that protect forests while nourishing the quality of life for all.

Juan R. Luciano
Chairman and CEO

44,000

Colleagues

180+

Countries of Operation

ADM's Deforestation and Conversion-Free Goal

ADM set a goal to eliminate deforestation from our agricultural supply chain in priority areas by establishing a due diligence system aligned with OECD–FAO guidance by the end of 2025. Given the nature of farming, ensuring these supply chains remain deforestation-free requires continuous oversight, which is why we define deforestation-free as the implementation of traceability, supplier engagement, monitoring and verification processes for our priority commodities and sourcing regions.

ADM at a Glance

ADM unlocks the power of nature to enrich the quality of life. With over 120 years of experience, we're a vital global agricultural supply chain manager and processor, ensuring food security by connecting local needs with global capabilities.

We provide comprehensive solutions in human and animal nutrition. We're a trailblazer in health and well-being, offering products for consumers seeking innovative ways to live healthier lives.

We're also proud to have been proven innovators, guiding the way to a future of new bio-based consumer and industrial solutions. We are a leader in transportation and logistics, efficiently moving commodities across global markets while pioneering renewable fuels and energy transition solutions.

As we deepen our understanding of how our value chains intersect with nature, we will continue implementing a nature strategy that goes beyond deforestation. This strategy aims to keep agricultural systems resilient and productive through integrated actions focused on safeguarding critical ecosystems, advancing sustainable and regenerative farming, boosting climate and resource efficiency and driving responsible pesticides management and decarbonization.

Human Capital

While technology will continue to play a huge role in deforestation and conversion-free supply chains, our greatest asset is our human capital. We rely on local knowledge and intuition just as much as high-tech data, trusting our teams to engage with local suppliers and governments to establish commitments to ethical and sustainable sourcing, supporting long-term economic resilience in agricultural supply chains.



Foundations of Our Journey

- 7 The Decision to Act
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The Decision to Act



ADM acts as a vital bridge in the agricultural supply chain, connecting tens of thousands of suppliers across the globe with manufacturers and consumers. ADM doesn't own farms, but we work with growers, supporting them with personalized services and innovative technologies. We partner with them to develop and enhance sustainable practices, transforming their bounty into products for consumers around the globe. Managing this complexity while meeting evolving sustainability demands requires us to stay ahead, developing systems and technologies that ensure responsible sourcing at a truly global scale.

When we enhance agricultural supply chains responsibly, we improve lives at every level: from farmers earning a stable income through sustainable practices, to communities preserving their cultural heritage alongside forests, to consumers accessing products that nourish their lives and connect to their values.

Building our Foundation for Change

In 2015, ADM recognized the critical need to formalize our approach to forest protection. What had begun as bottom-up efforts from our sustainability teams and those on the ground talking to customers had reached a tipping point. Furthermore, the importance of addressing the climate crisis meant looking at the impacts we could mitigate as a global business.

We committed to eliminating deforestation from our soy and palm supply chains—initially targeting 2030. This decision marked the formalization of efforts that many ADM teams had already been championing at the local level. Our first comprehensive policy was

released that year to safeguard forests, biodiversity, and communities worldwide.

In 2021, we made the decision to increase our ambition level, targeting deforestation-free across our supply chains by 2025—as detailed further on [page 11](#).

“Over the last decade, we’ve gone from sustainability being something we had to do to operate in certain markets, to understanding it must be economically sustainable in its own right. Farmers need to succeed, suppliers need to succeed, and the industry needs to succeed. That’s how we create lasting change: through sustainable business models.”

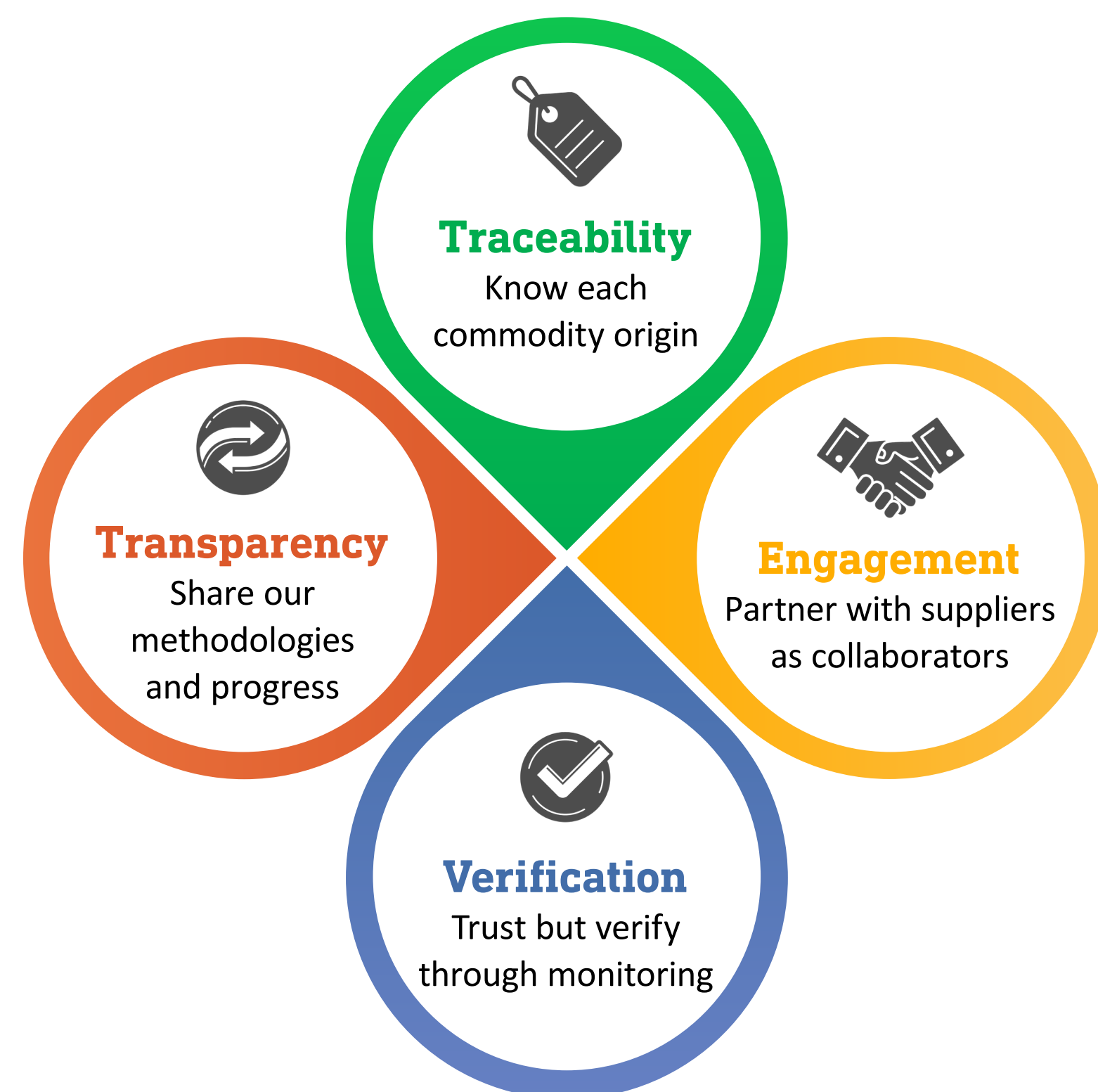


Jon Turney

Chief Risk Officer & EMEA Oilseeds President

A Transformative Due Diligence Framework

Our transformation approach is based on four pillars and accounts for differences between commodities and regions:



Our **risk-based due diligence system** (see below) concentrates effort where deforestation risk is highest.

Over the past decade, this approach has earned customer trust through consistent delivery. Customers benefit from traceability information, participate in verification processes, and co-invest in landscape programs. Together, we maintain deforestation-free supply chains through ongoing monitoring.

Moving our Supply Chain Forward Responsibly

Our commitment to deforestation-free practices was made possible by implementing breakthrough advances in monitoring technology and data management. ADM's deforestation and conversion-free methodology is grounded in a risk-based due diligence approach, aligned with the OECD-FAO Business Handbook on Deforestation and Due Diligence in Agricultural Supply Chains. This framework guides our efforts to identify, prevent, and mitigate deforestation and conversion risks across our global sourcing regions. We combine landscape-level risk assessments, supplier engagement, and satellite monitoring to enhance traceability and transparency.

ADM actively participates in sectoral collaborations such as the Soft Commodities Forum (SCF) and the Palm Oil Collaboration Group (POCG), which support the development of practical definitions and implementation approaches that reflect the specific dynamics of each supply chain. Together, these initiatives strengthen ADM's commitment to continuous improvement, responsible sourcing, and the protection of natural ecosystems.

Risk-Based Assessment Methodology

1. Traceability and Risk Assessment

In the first step, we establish traceability for the soy supply chain in South America and palm supply chain. Traceability is a cornerstone of our policy implementation, providing visibility across soy and palm supply chains and helping identify where action is most needed. ADM's commercial team assists in gathering sourcing data for suppliers. For soy, ADM maps direct suppliers through farm-level polygons and applies catchment modelling for indirect sourcing, enabling monitoring of land-use change in high-risk regions such as the Cerrado, Chaco, and Amazon biomes. This visibility helps ADM focus engagement and verification efforts

where deforestation or conversion risks are greatest. In high-risk regions, we are focusing resources to obtain additional farm level traceability of soy volumes being sourced by our indirect suppliers.

For palm oil, ADM maintains full traceability to the mill level and is expanding to plantation-level mapping in priority regions. Combined with satellite monitoring and supplier scorecards, this information guides targeted verification, engagement, and remediation activities to address identified risks.

Together, these traceability systems provide the transparency needed to direct resources and collaboration effectively, supporting ADM's goal of deforestation and conversion-free supply chains through informed, risk-based action.

Next, we gather all the industry-recommended spatial datasets needed to analyze deforestation alerts in each material commodity's sourcing areas, including:

- **Forest Cover and Native Vegetation:** We use the Science-Based Target Network (SBTN 2020) dataset.
- **Peatland Areas:** We use the Global Forest Watch peatland dataset.

- **Crop Areas:** We combine multiple crop maps, including SPAM 2020 (Spatial Production Allocation Model), FAO’s 173-crop distribution for 2020, U.S. Department of Agriculture (USDA) data, and country-specific crop datasets published by national governments.

To ensure high accuracy, we integrate alerts from satellite-based systems that detect and monitor deforestation in near-real time, such as GLAD (Global Land Analysis and Discovery) and RADD (Radar for Detecting Deforestation). All datasets used in this report are publicly available and have been chosen for their proven accuracy, reliability, and broad recognition in the field.

Using the gathered data, we delineate analysis areas around sourcing zones, screen for recent forest-loss and land-use change driven by agriculture—expansion, forest loss and weight our findings by ecosystem sensitivity and traceability confidence. By examining the surroundings of cropping zones and supply areas, we can detect potential risks of land conversion. These insights are cross-checked against recognized deforestation monitoring platforms, helping us identify any signals of change. If potential concerns arise, we flag them for further investigation to ensure our sourcing practices remain aligned with sustainability commitments.

2. Continuous Monitoring Cycles

ADM applies a risk-calibrated monitoring framework that integrates automated satellite analysis with targeted human review, tailored by commodity type, geography, and deforestation risk level. Automated monitoring operates continuously across sourcing regions, enabling near real-time detection of land-use change through high-resolution imagery and machine-learning–based alerts. The frequency and depth of validation and analysis vary by risk exposure, typically monthly in high-priority regions such as the Cerrado, the Chaco, and Southeast Asian peatlands, and quarterly or annually in lower-risk or stable areas. Detected alerts trigger a standardized process for verification, investigation, and remediation process, ensuring that any potential deforestation events are assessed and addressed promptly and transparently.

3. Commodity-Specific Methodologies

Our risk assessment considers specific methodologies for certain commodities:

- **Palm:** We align with the [No Deforestation, No Peat, No Exploitation \(NDPE\) Implementation Reporting Framework](#) methodology developed under the Palm Oil Collaboration Group (POCG).
- **Soy:** We align with standardized reporting approaches and definitions developed by the Soft Commodities Forum (SCF), and report updates as part of the SCF annual progress report.

- **Rice:** The methodology integrates advanced mapping techniques, utilizing the SBTN Natural Lands Map for forest mapping and Global Forest Watch data for comprehensive peatland analysis, ensuring accurate identification and monitoring of critical ecosystems.
- **PKE:** ADM developed a comprehensive methodology for supplier monitoring and enhancement. This approach combines third-party deforestation monitoring with an internal Google Earth Engine platform. It also leverages scorecards to evaluate and improve supplier sustainability practices and utilizes third-party and publicly available data for plantation-level traceability. See our case study on [page 17](#).

4. Engagement

Effective communication and engagement with suppliers are fundamental to ensuring they clearly understand our commitments and policies and, together with ADM, help create more sustainable supply chains. ADM deploys intensive ground engagement, supplier programs, and verification protocols in high-risk regions to strengthen traceability, build supplier capacity, and ensure alignment with ADM’s sourcing requirements. These efforts include onsite training, collaborative improvement plans, and continuous dialogue to address identified risks and promote best practices in land management, labor standards, and environmental stewardship.

In 2025, ADM engaged with all its direct soybean suppliers. In addition, in the Cerrado, we mapped 100 percent of our supplier network and engaged our 32 intermediary partners in the identified high-risk regions. ADM also engaged with 44 palm suppliers, covering almost 2,000 palm oil mills, and assessed them using our supplier palm scorecard. Engagement activities included more than 20 training sessions, workshops, and field visits, along with onsite training in three locations, gap assessments to inform collaborative improvement plans, and three training sessions on the monitoring platform.

Beyond palm and soy, ADM teams in the Asia-Pacific region work closely with soybean suppliers in India, supporting on-the-ground sourcing and supplier engagement; with rice suppliers across Asia, gathering data on mills and sourcing regions; and with direct sourcing teams in Australia, who maintain close relationships with suppliers and understand the complexity of local supply chains. Through these direct sourcing relationships, ADM conducts closer oversight of sustainability risks, ensures alignment with our policies, and supports continuous improvement across all commodities.

5. Third-Party Audit

Independent auditors conduct reviews to ensure credibility, accountability, and compliance with ADM’s deforestation-free methodology. The palm and South American soy supply chains are reviewed annually in accordance with their respective protocols. In 2025, ADM commissioned an independent third-party audit of the implementation of its Policy to Protect Forests, Biodiversity and Communities and related monitoring and due diligence processes across global supply chains. Conducted by Control Union between August and September, this represented the first comprehensive audit of ADM’s internal program and served as a baseline for future assessments. The review covered 29 selected country–commodity cases and evaluated compliance against four key performance indicators (KPIs): information availability, traceability, mapping, and monitoring. The process included kick-off meetings, document reviews, KPI-based scoring, and validation of findings with ADM focal points to ensure accuracy and transparency.

The audit confirmed that 100 percent of the assessed cases demonstrated compliance with ADM’s Policy across all KPIs, underscoring the strength and maturity of the company’s sourcing and monitoring systems. Key strengths identified included the use of advanced satellite monitoring platforms that enable near real-time tracking of deforestation risks, supported by multiple independent data sources to enhance reliability. ADM’s proactive supplier engagement, through annual scorecards and

training programs, was also highlighted as a major contributor to policy alignment and accountability throughout the supply chain.

The review also identified areas where ADM could further enhance its internal processes to strengthen overall program consistency. The auditors suggested refining certain procedural aspects to ensure that communication and follow-up actions are more systematically managed and integrated into the broader monitoring framework. Addressing these points will help ADM continue improving its approach and maintaining the integrity of its implementation over time

“Independent audits are a critical component of our responsible sourcing program, reinforcing ADM’s commitment to transparency, accountability, and continuous improvement. The 2025 third-party review validated the robustness of our systems while offering valuable insights that will help us further strengthen the consistency and integrity of our sourcing approach.”



Amar Panjabi
APAC Responsible Sourcing Manager

Accountability Through Action

Grievance mechanisms are a critical component of deforestation monitoring because they complement technical tools with remediation pathways and increase transparency and accountability. ADM maintains a clearly defined grievance investigation process, available online, where any stakeholder can submit a case that triggers an investigation. Allegations related to deforestation or human rights concerns are reviewed according to [ADM’s Grievance and Resolution Protocol](#), ensuring transparency, fairness, and alignment with our Policy to Protect Forests, Biodiversity and Communities. We partner with external service providers for investigation, resolution, and remediation to ensure unbiased solutions. We update our [Grievances and Resolutions Log](#) frequently and publish results for transparency.

If preliminary investigation reveals a link between ADM and alleged deforestation, we conduct further assessments with third parties to verify and address the issue. When grievances involve supplier non-compliance, ADM applies a structured procedure to define appropriate actions based on the severity of the case and our level of influence over the supplier. This integrated system, developed with specialist partners and refined as datasets mature, ensures robust forest protection, effective remediation, and continuous improvement in supply chain accountability.



Increasing our Ambition



In 2021, six years into our no-deforestation journey, we decided our goals had to be more ambitious. Climate science, biodiversity loss, and our own supplier readiness assessments showed the window for action was closing. This led to the announcement of accelerating our commitment to achieve no deforestation across all our supply chains by 2025, five years sooner, and to set a commitment to no native vegetation conversion in high-risk regions in the same year for direct supply chains.

To achieve the goal, we needed to deepen our understanding of deforestation risks across our supply chain and build visibility across several commodities we hadn't previously monitored. In 2023, we therefore undertook an analysis of all commodities in our portfolio and prioritized those accounting for 99 percent of our total purchased volume for further evaluation. This process included identifying the sourcing countries for these commodities and conducting research to understand the deforestation risks associated with specific countries and products.

Based on the findings, we shortlisted commodities and countries for further assessment of deforestation risks. As a result, we identified 11 material commodities which are the focus of our deforestation commitment going forward.

11

Material commodities in scope
of our monitoring and verification

Meeting the Moment

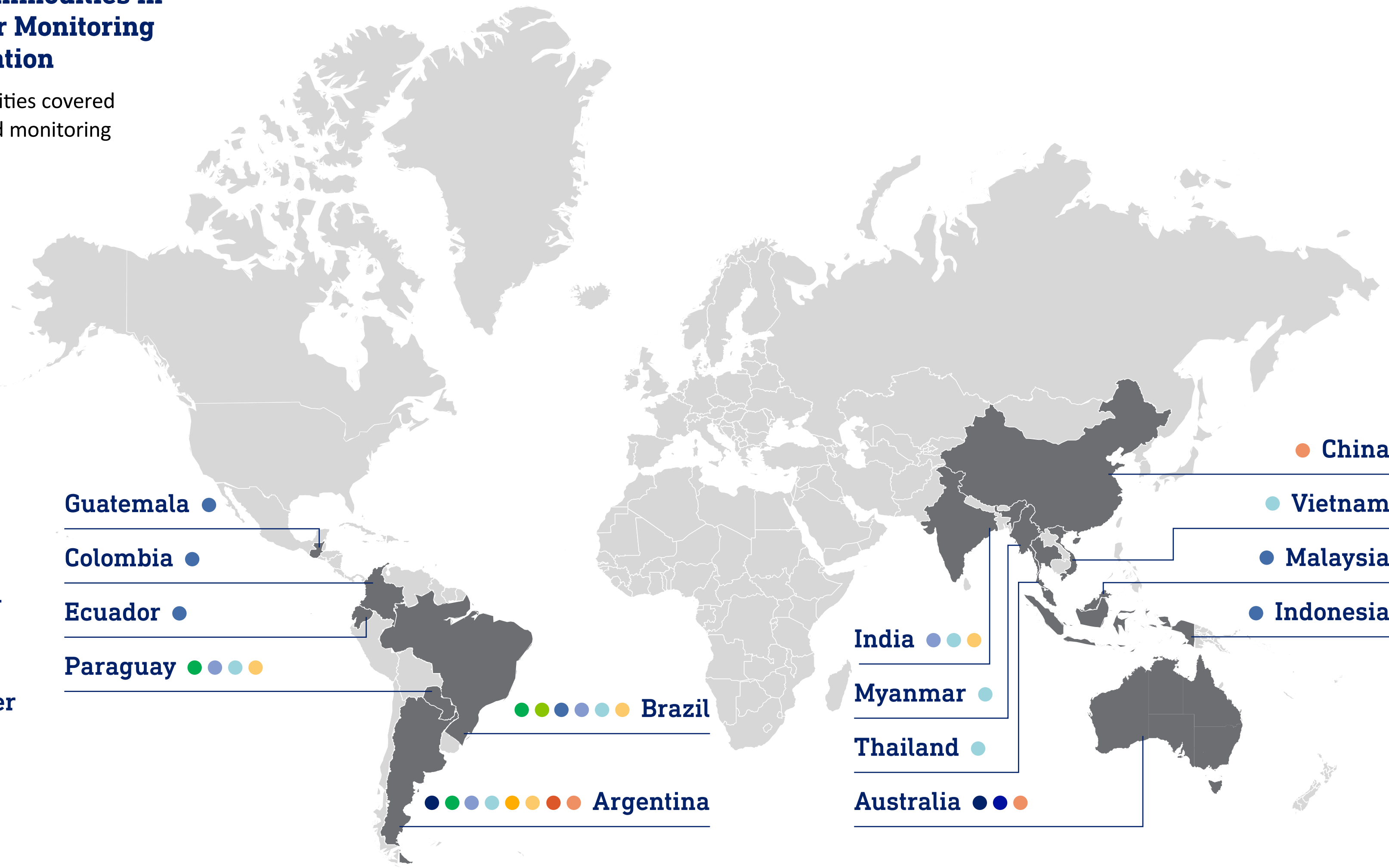
As expectations evolve across markets, ADM remains focused on delivering deforestation-free outcomes through robust traceability, monitoring, and supplier engagement. In response to Brazil's evolving operating environment, we are adopting a January 1, 2025 cutoff for soy in Brazil as part of our updated policy approach.

Read the full [Policy to Protect Forests, Biodiversity and Communities](#).

Material Commodities in Scope of our Monitoring and Verification

The 11 commodities covered by our expanded monitoring and verification:

- Barley
- Canola
- Corn
- Cotton
- Palm
- Pulses
- Rice
- Sorghum
- Soy
- Sunflower
- Wheat



Our comprehensive deforestation and land-conversion monitoring spans 473.7 million hectares across regions, covering 11 material commodities. Our risk assessment pinpoints ecosystems where agricultural expansion most threatens forests, biodiversity, water systems contributing to further climate destabilization.

Priority biomes include:

- **South America:** The Amazon, Cerrado, Pantanal, and Chaco are priority landscapes for monitoring to enhance understanding of environmental change and support sustainable land management.
- **Southeast Asia:** Peatlands and rainforest frontiers in Indonesia and Malaysia are monitored for land-use trends affecting carbon storage and biodiversity.
- **Additional Palm Regions:** Monitoring also covers Ecuador, Guatemala, and Colombia, where palm cultivation occurs near tropical forest landscapes
- **Other Regions:** In Australia, China, India, Thailand, Vietnam, and Myanmar, monitoring focuses on local ecosystems linked to rice, wheat, and canola to detect emerging pressures.

The Power of Partnership

Supply chains are long, interlinked, and fast-moving; no single actor can deliver system-level change.

That is why we work through pre-competitive sector partnerships to help address shared challenges, improve transparency, and accelerate progress across supply chains.

Since 2006, we have supported initiatives to address soy-driven deforestation in Brazil. Through the Soft Commodities Forum (SCF), we have advanced standardized reporting and landscape initiatives for deforestation- and conversion-free soy in the Cerrado. Six major agribusinesses now collaborate on these efforts. The partnership leverages monitoring tools and landscape-level approaches to improve efficiency, help address the risk of deforestation shifting from one area to another (“leakage”), and promote greater transparency.

In 2021, at COP26 in Glasgow, we joined a group of the 13 largest global trading companies to adopt the Agriculture Sector Roadmap to 1.5°C, committing to reduce emissions from land-use change linked to four major commodities, palm oil, soy, cattle, and cocoa. Building on this commitment, two sector-specific roadmaps were launched at COP27 to accelerate progress toward deforestation and conversion-free supply chains.

The **Soy Sector Roadmap** has driven tangible progress across South America’s major biomes, strengthening governance, refining traceability methodologies, and implementing monitoring systems capable of detecting deforestation and conversion events. Participating companies have developed response and remediation processes to help prevent non-compliant volumes from entering supply chains, supported by indicators and third-party verification mechanisms.

In parallel, the **Palm Sector Roadmap** has advanced efforts toward deforestation and conversion-free palm oil production in key regions, expanding traceability, transparency, and smallholder inclusion. This collaborative process will formally conclude at COP30, marking a major milestone in collective climate action and the transition to sustainable palm oil.

Together, these initiatives demonstrate how collaboration among industry, governments, and civil society can contribute to measurable progress toward climate goals and the protection of natural ecosystems.



Policy and Partnerships

Our 2025 target isn't an endpoint, but a milestone in our ongoing journey.

Policy and Compliance Milestones



2006–2014

Established key sustainability commitments, including participation in the global business initiative to conserve native forest, joining the Roundtable on Sustainable Palm Oil (RSPO) in 2007, and the Roundtable for Responsible Soy (RTRS) in 2009. Launched *Produzindo Certo* in South America and began foundational efforts in palm and soy traceability and responsible sourcing.

2015

Introduced the *Policy to Protect Forests, Biodiversity, and Communities*, focusing on palm and soy supply chains.



2016

Launched *Sustentagro* in Paraguay to support sustainable farming and initiated palm mill traceability mapping and supplier engagement.



2021

Expanded the *Policy to Protect Forests, Biodiversity, and Communities* to all commodities; Announced acceleration of deforestation-free target to 2025.

2020

Secured commitments from all direct palm suppliers for responsible sourcing.



2019

Implemented supplier scorecards; *Produzindo Certo* reached 600+ farmers and 1.5 million hectares; expanded traceability to Paraguay; published the first palm and soy progress reports.

2018

Joined the Soft Commodities Forum; Began soy monitoring in Brazil's high-risk areas.

2017

Launched the Sustainability Progress Tracker and public grievance mechanism.



2022

Partnered with Parque Vida Cerrado for biodiversity in Western Bahia; signed the Agriculture Sector Roadmap to 1.5°C at COP26.

2023

Launched Community Economic Empowerment Programs in Riau Province, Indonesia and began palm monitoring.

2024

Completed the Palm LAB Project in Colombia; conducted a Verisk Maplecroft risk assessment and completed multiple third-party verifications.



2025

Progressed toward our goal to achieve no-deforestation across our supply chains, with a focus on high-risk areas in soy and palm. To reinforce transparency and accountability, due diligence processes were audited by an independent third-party, Control Union.





Accelerating to Action

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CASE STUDY

Smart Resource Allocation in Australia



When ADM expanded monitoring to Australia in 2024, our risk-based methodology was shown to be truly effective. Rather than applying blanket monitoring everywhere, we assess risk levels to allocate resources strategically.

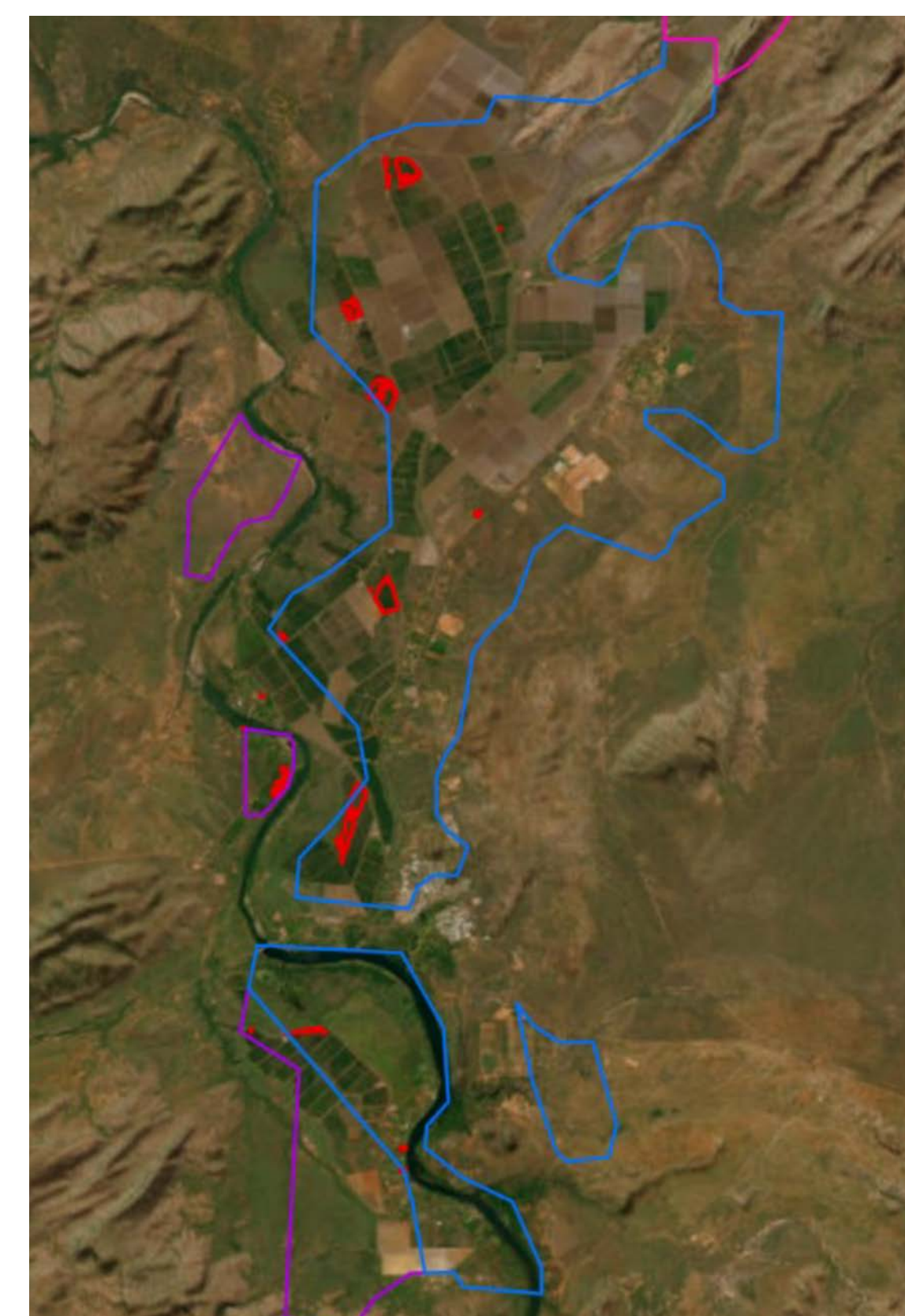
Australia’s assessment validated this approach. We monitored 26.8 million hectares (an area larger than the United Kingdom) for ongoing deforestation events and confirmed what our initial risk assessment suggested: only 0.07 percent of monitored land showed any deforestation alerts, far below our one percent threshold for intensive monitoring.

“This isn’t about checking boxes,” explains Damian Bradford, Group Manager, Accumulation & Climate Smart Ag. “Australia’s strong governance and established agricultural boundaries create fundamentally different conditions than frontier regions. Our methodology recognizes these distinctions.”

The efficiency gains are significant. By confirming Australia’s current negligible risk

status through comprehensive satellite analysis, we can concentrate intensive resources where they matter most, as in regions where agricultural expansion poses greater threats to forests. Australian suppliers benefit too, gaining verification without burdensome requirements while demonstrating their sustainability credentials to global markets.

This targeted approach multiplies our impact. The result? Australia maintains baseline monitoring on an ongoing basis: regular satellite surveillance ensures any changes trigger immediate alerts, but doesn’t require the intensive ground engagement, supplier programs, and verification protocols we deploy in high-risk regions like the Amazon or Southeast Asian frontiers.



CASE STUDY

Transforming a Forgotten Supply Chain



In 2019, we discovered a critical blind spot in sustainable palm: PKE (palm kernel expeller), a co-product of palm oil crushing used predominantly as a feed ingredient, for which the industry had no established monitoring or traceability systems. While the industry focused on palm oil, this high-volume byproduct moved through opaque channels with zero traceability.

Our objective is to apply the same risk-based due diligence we use across palm to the specific dynamics of PKE trading and sourcing, focusing on our systematic approach rather than chronological detail.

“The goal was never just compliance. We wanted PKE suppliers to become sustainability leaders. We spent a lot of time educating and engaging with our key partners, including on-site visits and audits, and the use of geo-satellite resources. At the start, many had no idea their product could be traced to deforestation. Now they’re our strongest advocates.”



Emmanuel Lemoine
Vice President Global Trade

Unlike palm oil with established the Roundtable on Sustainable Palm Oil (RSPO) frameworks, PKE required entirely new systems:

- **Mapping Invisible Supply Chains:** Identifying and geo-locating over 200 crushing plants across Southeast Asia.
- **Engaging Reluctant Suppliers:** Converting traders who had never faced sustainability requirements into active partners.
- **Creating Verification Protocols:** Adapting satellite monitoring for facilities often absent from existing databases.
- **Establishing Grievance Mechanisms:** Having a clear, accessible way to report concerns with appropriate remediation pathways.

The breakthrough came through graduated engagement, starting with basic commitments, providing technical support, then progressively raising standards as suppliers gained capability.

Results That Changed the Industry

Today, ADM maintains 100 percent PKE traceability to kernel crushing plants: an industry-leading milestone. We’ve transformed 15 high-risk suppliers into verified sustainable sources, monitoring 500,000 metric tons annually with zero deforestation in third-party verified chains.

“PKE is considered a byproduct, so companies don’t prioritize it. But deforestation risk doesn’t distinguish between products and byproducts. If it’s in our supply chain, it needs the same standards.”



Tobias Westphalen
Head of Feedstuff Asia-Pacific

Scaling Impact through Partnership



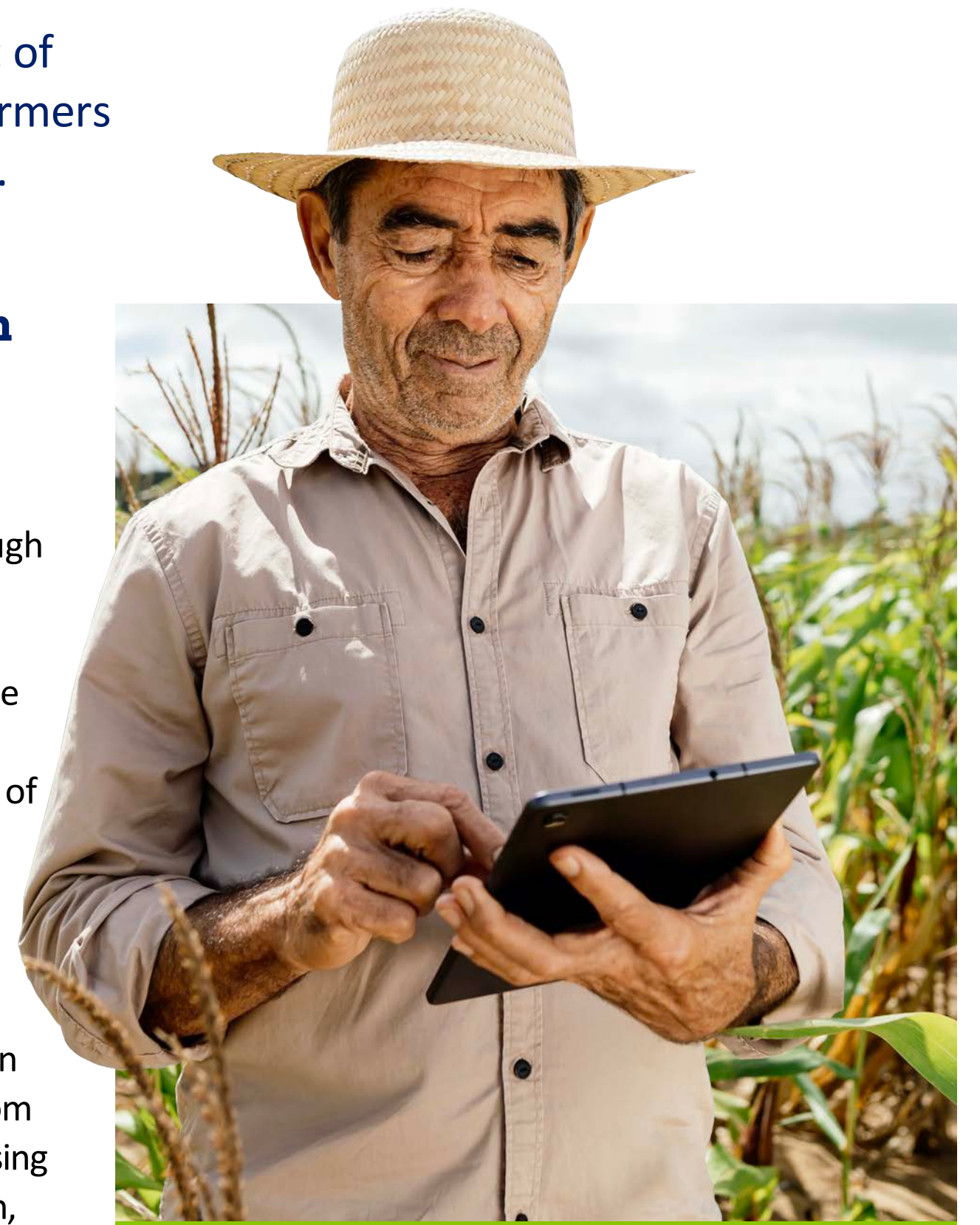
The shift from monitoring suppliers to transforming them represents the heart of ADM’s approach. Understanding *why* farmers clear forests is essential to preventing it.

From Compliance to Transformation

In Southeast Asia and beyond, farmers often face tough choices between protecting forests and securing their livelihoods. Sustainability can often come at a cost with less immediate benefit. Through strong partnerships, we work alongside farmers to build tailored programs that provide training, financial support, and market access. The incentive to work with ADM and maintain sustainability requirements has been established through years of relationship building and payment security.

Market-Linked Incentives for Farmers

ADM’s strong presence in both origin and destination markets enables us to channel incentives directly from the market to farmers who maintain forest cover. Using verified satellite data and regional forest information, farmers are rewarded in ways that reflect the market value of sustainable production, allowing them to increase income without expanding land use. Our local teams and technical partners provide guidance and technical support, ensuring that monitoring insights translate into practical actions for sustainable land management and long-term forest conservation.



“Farmers know that our name behind a contract gives credibility, built over decades of doing things properly.”



Alejandro Oria
President ADM Argentina, Paraguay and Uruguay

CASE STUDY

Brazil's Cerrado: From Skepticism to Success



In the Cerrado savanna, Brazil's most biodiverse region after the Amazon, transformation began with economics.

At first, ADM's Produzindo Certo ('Doing it Right') initiative, which provided technical assessments and sustainability training, was met with deep skepticism. Building trust took years. Field teams, often farmers themselves, spoke the local dialect. They offered technical assessments with complete confidentiality, helping farmers understand the economic opportunities. For example, studies and field experience suggest that:

- **Intensification of existing cleared land can increase** crop yields
- **Precision agriculture** and best agricultural practices could reduce input costs
- **Support compliance with national regulations**
- **Access to markets** through sustainability certifications could increase revenues for the crops

The results proved the model. Participating farmers improved productivity on existing farmland while optimizing input use and reducing

environmental impact. The approach also opened opportunities for them to access higher-value markets through recognized sustainability certifications, reinforcing the link between responsible agricultural practices and economic resilience. These outcomes underscore how conservation and sustainable farming can drive both environmental and business benefits.

"Deforestation is fundamentally an economic decision. The real estate value of forested land increases immediately once it is cleared. So, farmers must understand the benefit of preservation."



Diego Di Martino
Director of Sustainability LATAM

"When farmers saw their neighbors making more money on less land, everything changed," Diego recalls. "The skeptics became evangelists."

The program has since been absorbed into ADM's wider farmer engagement and regenerative agriculture efforts, ensuring its principles continue at a greater scale. Today, ADM partners with local organizations like Instituto Homem Pantaneiro to:

- Train local communities in seed collection and nursery management.
- Create jobs in restoration rather than clearing.
- Support women's cooperatives that gather native seeds.
- Build fire brigades in indigenous territories.

Among those returning to the forest are the region's symbolic species: the maned wolf (lobo-guará), a symbol of what Diego calls "the shift from deforestation to restoration."

CASE STUDY

Proactive Rice Monitoring: Ensuring Oversight



Rice is generally not a driver of deforestation, but in some regions, its cultivation may be associated with land-use change that has climate implications. Our risk assessment, conducted by Verisk, identified that land conversion in rice production within specific regions can occur, which also carries climate implications through associated emissions. Our proactive monitoring keeps us ahead of these risks.

Rice monitoring expansion in 2023 demonstrated our commitment to comprehensive supply chain oversight. Spanning 33.9 million hectares across seven countries, rice presented unique challenges with thousands of small farms across the world.

The results demonstrated versatility and value. Globally, most monitored regions showed negligible risk. Where land conversion signals were identified, we focused attention on specific geographic areas. In Paraguay, for instance, the analysis detected conversion to agricultural land. We confirmed that rice wasn't directly linked to deforestation and conversion. The intelligence allowed us to classify areas accurately and guide responsible sourcing decisions.

This is a live system. We routinely refresh rice expansion layers, identify safe areas for our supply chain, and flag zones requiring additional checks. Intelligence flows to sourcing teams so field decisions match risk on the ground.

Paraguay rice monitoring analysis ■ Forest ■ Alert deforestation □ Alert deforestation



Overlaid alert deforestation with forest



Satellite imagery 2020 (before conversion)



Satellite imagery 2025 (after conversion)

“Our global presence, combined with local expertise and technology, allows us to anticipate emerging trends and act on potential risks proactively.”



Brock Meadows
President, ADM Rice

Protecting Communities



ADM's philanthropic and sustainability initiatives enhance community well-being and restore landscapes. Through ADM Cares, we partner with local governments, communities, and civil society organizations to implement long-term actions benefiting forests and livelihoods.

Key Landscape Restoration and Community Development Projects



Aceh Landscape Project (Indonesia):

Focuses on forest protection in the biodiverse Leuser Ecosystem. Achievements include identifying 100 percent of High Conservation Value areas, training 820 farmers, and engaging 35,000 hectares across eight villages.



Riau Project (Indonesia):

ADM partnered with Tzu Chi and GAR to support communities near the Lubuk Gaung refinery by upgrading five kindergartens, training 29 Posyandu cadres on nutrition and stunting prevention, and launching a hydroponic pilot at SMA Negeri 4 Dumai.



Sabah Landscape Program (Malaysia):

Harmonizes sustainable palm production with forest conservation. Supports over 4,000 smallholder farmers, protects 16,000 hectares of elephant habitat, and improves well-being for 8,000+ workers and families.



North Sumatra Project (Indonesia):

The environmental sustainability event attracted 100 attendees; the river cleanup collected 1,455 kilograms of waste and distributed 4,939 seedlings to 52 communities covering 39 hectares.

Advancing Biodiversity



Through partnerships with Restor (a global hub for nature restoration) and Parque Vida e Cerrado (supporting biodiversity conservation in Western Bahia), ADM Cares is assessing our impact on biodiversity to capture our footprint and explore new ways to positively contribute to nature.

In Brazil, ADM Cares supports biodiversity and community well-being through partnerships such as Parque Vida Cerrado in Western Bahia (habitat restoration, wildlife monitoring, flora and fauna guides) and Instituto Homem Pantaneiro in the Pantanal (wildfire prevention, indigenous fire brigades, and headwater protection). These initiatives complement our global landscape efforts.

Through Restor’s science-backed Enterprise platform, ADM Cares monitors progress, measures impact, and guides decision-making across ADM operations and existing landscape conservation projects. We have access to key indicators, including soil carbon, biodiversity, land-use change, and climate risks, across our sites. This partnership provides geospatial insights and global visibility for nearly 58,000 hectares of ADM-supported nature projects across Latin America and Southeast Asia.

Meanwhile, our partnership with Parque Vida e Cerrado focuses specifically on the Western Bahia region, supporting research, education, and on-the-ground conservation activities in one of Brazil’s most biodiverse ecosystems.

This evolution from deforestation monitoring to comprehensive biodiversity assessment represents the next frontier in sustainable agriculture, ensuring our supply chains contribute positively to nature restoration.

“We believe that caring for nature is the foundation of productive farming. We have the confidence and guidance to improve and intensify our regenerative practices.”

Lisandra Zamboni

Regenerative agriculture producer from São Gabriel do Oeste, Mato Grosso do Sul, who farms 1,500 hectares of soy and corn.





Strong Roots for Our Future

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Preparing for Tomorrow's Needs



ADM's decade-long investment in integrated monitoring systems and local expertise has created a resilient, future-ready supply chain that goes far beyond just compliance.

Although technology plays a vital role, what has made this transformation possible is the combination of our global infrastructure and local expertise. Our tens of thousands of employees, operating from ports and granaries to vessels and processing facilities, create the networks and relationships that drive real change. Local management teams understand regional nuances, building trust that allows producers to embrace sustainable practices. This human capital, combined with our technological capabilities, enables us to translate global commitments into local action.

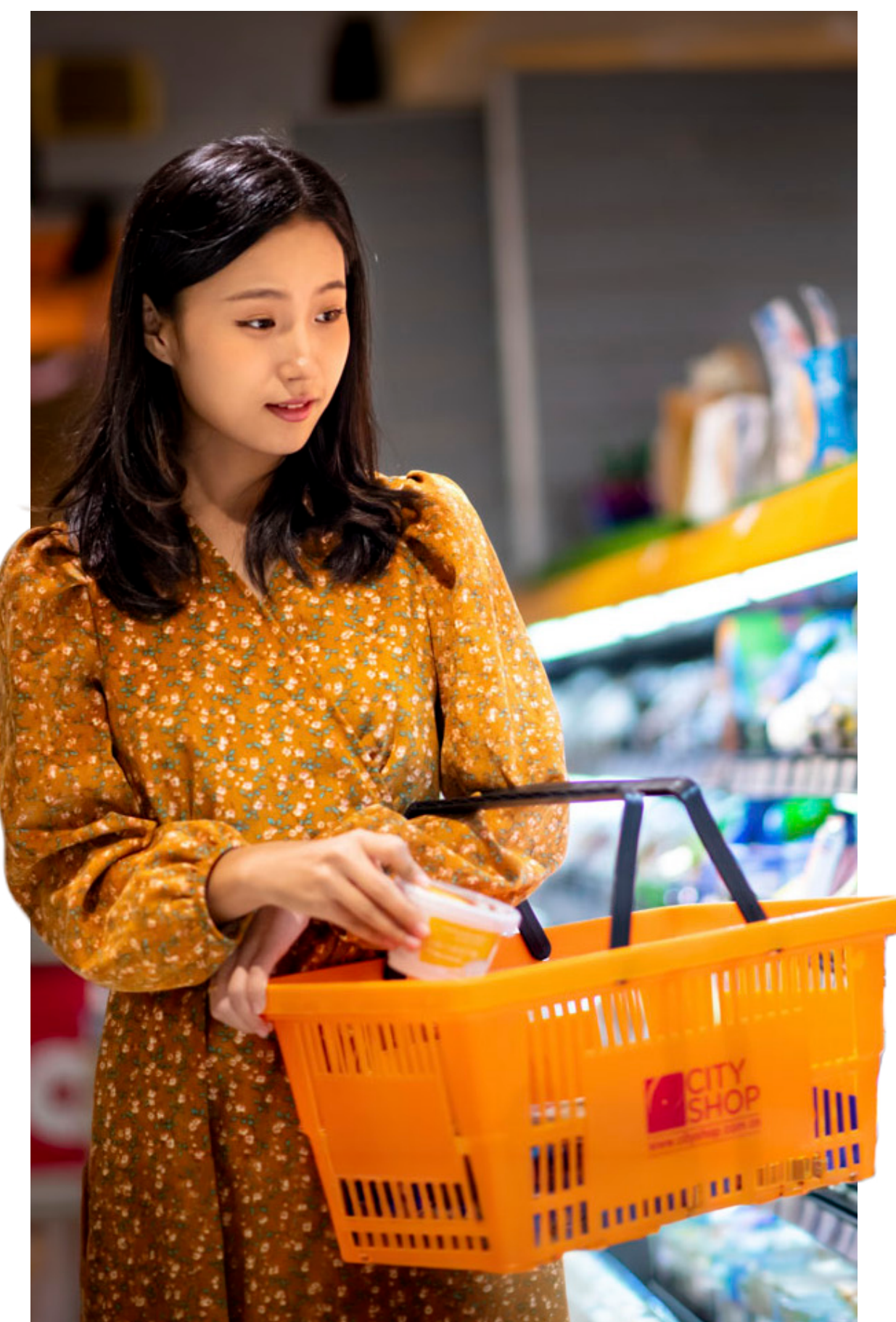
Building Trust on the Ground

"ADM has an opportunity to deliver what other companies cannot. Understanding both consumer demands at destination and farmer realities at origin. That's where real transformation happens."



Kirstin Jurgensen

Sustainability Business Development Manager



Continuing the Journey



Implementation is just the beginning. The real challenge lies in maintaining momentum, embedding practices into core operations.

“Our goal is not to react to change, but to stay one step ahead of it. Our investments in integrated, long-term systems mean our supply chain is not only resilient, but also reliable and future ready. This gives our partners confidence that we can deliver responsibly, no matter how the landscape evolves.”



Katherine Pickus
Chief Sustainability Officer

The 2025-2030 Vision: Beyond Compliance

Our next chapter builds on proven success. We’re actively expanding our assessments to cover all material commodities we source, with several already under comprehensive monitoring, and others being integrated based on our risk assessment methodology. We continue to integrate climate- and nature-related risks into our Group-level governance and risk management system.

Sustained investment underpins lasting impact. Our technology development budget continues

growing alongside expanding sustainability teams. Our landscape restoration programs across multiple regions, from Southeast Asia to Latin America, demonstrate what’s possible when we recognize that each commodity and region requires tailored solutions.

Sustaining Progress: The Real Challenge

Our key challenges reflect the complexity of global agricultural systems:

- **Building a sustainability-driven culture** across all departments requires continuous education and engagement, encouraging proactive thinking and innovation around deforestation-free practices at every level of the organization.
- **Maintaining comprehensive traceability** becomes increasingly complex as we expand, particularly in regions with limited infrastructure, fragmented supply bases, or heavy reliance on indirect suppliers. Each new commodity brings unique tracking challenges.
- **Balancing economic viability with environmental commitments** means managing the financial and operational costs of our deforestation-free policy while ensuring it remains sustainable for all stakeholders, from smallholder farmers to major processors.

- **Adapting to constant change** requires staying ahead of evolving regulations, environmental conditions, market trends, and consumer expectations. New frameworks, guidelines, and scientific understanding emerge continuously, demanding agility in our approach.
- **Ensuring continuous improvement** means our monitoring and verification systems must evolve alongside new technologies and methodologies, maintaining vigilance across ever-expanding supply chains.

Yet our decade of experience provides confidence for the path ahead. The infrastructure we’ve built creates tangible resilience, while our risk-based methodology, successfully implemented from Australian barley to Brazilian cotton to Asian rice, provides a proven expansion framework that adapts to any commodity or geography.

The Path Forward

December 31, 2025, represents a milestone, not a finish line. Our robust due diligence ensures supply from negligible-risk areas while we accelerate work in the remaining regions.

By embedding nature into our deforestation due diligence process, we aim to avoid and reduce the pressures that drive nature loss, regenerate and restore ecosystems so that nature can recover, and transform the systems in which we operate to tackle the root causes. In doing so, we strengthen supply chain resilience and contribute to global climate and biodiversity goals, beyond merely avoiding harm.

Through partnerships with organizations like Restor and the E.O. Wilson Biodiversity Foundation, ADM is expanding beyond deforestation to comprehensive nature stewardship. Our actions span climate resilience in sourcing regions, regenerative agriculture practices, habitat protection, responsible

pesticide management, and decarbonization efforts, all contributing to restoring the balance between biodiversity and climate. We aim to foster a more resilient global food system that sustains both nature and humanity.

Tackling deforestation is essential to climate action and agricultural resilience, but it’s only part of the picture. Carbon reduction, regenerative agriculture, and biodiversity protection must work in tandem to strengthen the food system and deliver lasting impact. Our efforts going forward are integrating these metrics into our strategy.

Success requires continued collaboration. No single company solves deforestation alone, but collective action creates the needed focus, momentum, and scale. When transparency becomes the industry standard, hiding unsustainable practices becomes impossible. When sustainable production commands premiums, market forces drive conservation.

Our job is to feed the world, and nature is key to allowing us to continue doing this today and for the next generations. The journey continues, and we invite all stakeholders to join us in creating the future of responsible and resilient agriculture.

“This journey has taught us that true sustainability comes from building strong foundations, taking responsibility, and consistently delivering results. We’re going beyond just avoiding harm to drive positive impact by protecting forests, empowering producers, and building long-term value for everyone in our supply chain.”



Ana Yaluff

Senior Director, Sustainability- EMEA, LATAM & APAC



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Glossary of Key Terms

Conversion of non-forest native vegetation

Human-caused change of non-forest primary native vegetation to another land use, or a profound change in the ecosystem’s species composition, structure, or function.

Cutoff date

The date after which deforestation or conversion of primary native vegetation renders an area or production unit non-compliant with no-deforestation or no-conversion commitments.

Deforestation

Conversion of primary native forests to other land uses, whether human-induced or not (FAO, 2020).

Forest

Land of more than 0.5 hectares with trees over five meters and canopy cover above 10 percent, or trees able to reach those thresholds in situ; excludes land predominantly under agricultural or urban use (FAO, 2020).

Free, Prior and Informed Consent (FPIC)

The requirement to obtain Indigenous peoples’ consent before activities that affect their ancestral lands, territories, and natural resources, as recognized by the UN Declaration on the Rights of Indigenous Peoples.

High Carbon Stock (HCS)

Forest areas storing significant quantities of carbon, typically associated with dense vegetation; clearing HCS forest releases carbon to the atmosphere.

High Conservation Value (HCV)

Areas with significant biological, ecological, social, or cultural value, as recognized by standards such as FSC and RSPO.

High-risk areas

Regions at risk of conversion of non-forest primary native vegetation that need protection. ADM currently defines the Brazilian Amazon, the Cerrado and Pantanal biomes, and the Paraguayan and Argentinian Chaco as high-risk areas.

Material commodities

Agricultural raw materials that are most significant to ADM’s business and sustainability performance. They represent the products that contribute substantially to our global sourcing volumes and have the greatest potential environmental and social impacts within our supply chains.

Ownership stake or equity stake

Percentage of a business owned via shares; for this policy, it refers to holdings of more than 50 percent by ADM.

Peatland

Wetland ecosystems underlain by peat soils; globally cover about three percent of land area (IUCN, 2017).

Primary forests

Naturally regenerated forest of native tree species with no clearly visible signs of human activity and undisturbed ecological processes (FAO, 2020).

Primary native vegetation

Native plant assemblage in a specific place or region that has adapted to local conditions and has had little or no human intervention.

Supplier types—palm

- **Direct suppliers** are aggregators that may grow, purchase, and/or refine palm products from mills and/or crushers and resell to ADM under a direct commercial relationship.
- **Indirect suppliers** are upstream groups, including mills and crushers, further back in the supply chain.

Supplier types—soy

- **Direct suppliers** are farmers or farming companies with whom ADM has a direct commercial relationship.
- **Indirect suppliers** include aggregators, cooperatives, and other third parties who may buy directly from farmers and sell to ADM.

Target date

The date by which the company intends to have fully implemented its commitments in a given supply chain.

For the full policy and complete glossary, see: [Policy to Protect Forests, Biodiversity and Communities](#).

Data Dashboard

Product	Countries	Hectares Monitored
Rice	India, Thailand, Vietnam, Myanmar, Paraguay, Brazil, Argentina	24,503,174
Palm	Indonesia, Malaysia, Ecuador, Guatemala, Colombia, Brazil	31,500,000
Cotton	Brazil	3,727,594
Barley	Argentina, Australia	43,743,851
Sunflower	Argentina	41,951,742
Soy	India, Paraguay, Brazil, Argentina	95,948,653
Maize	Paraguay, Brazil, Argentina	74,127,706
Pulses	Argentina	29,022,704
Wheat	Argentina, Australia, China	67,198,004
Sorghum	Argentina	35,175,034
Canola	Australia	26,839,120

Metric	Value/ Status	Notes
Traceability Achievements		
Soy: % Traceable to farm (direct)	100%	High-risk regions
Palm: % Traceable to plantation	97.6%	100% Traceable to Mill
PKE: % Traceable to crushing plant	100%	Industry first
Palm: Countries monitored	6	Indonesia, Malaysia, Ecuador, Guatemala, Colombia, Brazil
Cotton: Countries monitored	1	Brazil
Barley: Countries monitored	2	Argentina, Australia
Sunflower: Countries monitored	1	Argentina
Soy: Countries monitored	4	India, Paraguay, Brazil, Argentina
Maize: Countries monitored	3	Paraguay, Brazil, Argentina
Pulses: Countries monitored	1	Argentina
Wheat: Countries monitored	3	Argentina, Australia, China
Sorghum: Countries monitored	1	Argentina
Canola: Countries monitored	1	Australia

Metric	Value/ Status	Notes
Scale and Impact		
Hectares Monitored	473 million	
Verification and Transparency		
Third-Party Verification	Multiple Partners	Independent auditors across commodities
Methodology Transparency	100%	All approaches publicly available

Auditor’s Statement



INDEPENDENT VERIFICATION STATEMENT

Issued to:

Archer Daniels Midland Company (ADM)

Control Union Argentina S.A. confirms that it has carried out an independent verification of the implementation of ADM’s internal Policy to Protect Forests, Biodiversity and Communities.

Scope and Methodology

The verification was conducted between 8 August and 20 September, covering 29 country–commodity cases in Latin America (Argentina, Brazil, Paraguay, Guatemala, Colombia, Ecuador), Asia (India, Vietnam, Thailand, Myanmar, Indonesia, Malaysia, China), and Oceania (Australia).

The commodities assessed during the verification included soybean, maize, wheat, rice, sunflower, barley, sorghum, cotton, oil palm, pulses, and canola. This verification assessed ADM’s due diligence process for assessing deforestation risk in the sourcing of these commodities.

The process consisted of the review of documentation, spatial datasets, and satellite monitoring systems, as well as validation of results with ADM’s global and regional teams. The assessment was guided by four Key Performance Indicators (KPIs) and the four pillars of the Policy.

- Information availability – evaluation of the provision of relevant supply chain information.
- Traceability – assessment of the availability of sourcing area data, from mill to district or province level.
- Mapping – spatial analyses of sourcing areas, including overlays with forest, peat/native vegetation, and deforestation alerts.
- Monitoring – systems to detect and mitigate deforestation risks through satellite monitoring and supplier engagement.

This verification also assessed the company’s due diligence process for addressing deforestation risks in the sourcing of these commodities.

Conclusion

Control Union concludes that ADM has implemented a robust and reliable framework for monitoring compliance with deforestation-free commitments. The verification process confirmed the following:

- All 29 cases reached full compliance with ADM’s internal Deforestation-Free Policy.
- ADM demonstrated effective use of satellite monitoring platforms, comprehensive datasets, and active supplier engagement.

This independent verification provides assurance that ADM’s sourcing practices, as evaluated within this scope, are consistent with its commitment to maintaining deforestation-free supply chains.

Juan Francisco Gebbie
Certification Manager
Control Union

Annex I – Hectares Monitored and Verified

The following table summarizes the number of hectares monitored and verified by ADM within the scope of this verification:

Product	Countries	Hectares monitored
Rice	India, Thailand, Vietnam, Myanmar, Paraguay, Brazil, Argentina	24,503,174
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Wheat	Argentina, Australia, China	67,198,004
Sorghum	Argentina	35,175,034
Canola	Australia	26,839,120



ADM Global Communications must approve third-party use of ADM's trademark. Global Communications approves most business partners' requests, if the relevant ADM business supports the request. Third parties can request permission to use ADM's trademark at www.adm.com/logo.

For further information regarding the ADM brand identity program, please contact brand@adm.com.

A copy of this may be found at www.adm.com/brand.

May 2026.