



Supply Chain Due Diligence

October 2024





“Our commitment to our principles, our communities and our people is central to how we work with suppliers around the globe. That’s why we work closely with our suppliers to encourage doing business the right way. From supplier diversity, to capacity building, to upholding our principles and policies, we are proud to support our partners as we work together to unlock the power of nature to enrich the quality of life.”

Alison Taylor

Chief Sustainability Officer

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About ADM

At ADM, our mission as a company is to unlock the power of nature to enrich the quality of life. Our 42,000 colleagues serve customers across six continents by transforming agricultural commodities into ingredients and solutions for food, feed, fuel and consumer and industrial products.

ADM recognizes its role as an essential global agricultural supply chain manager and processor. The company is committed to minimizing negative impact of its operations on local populations and the environment.

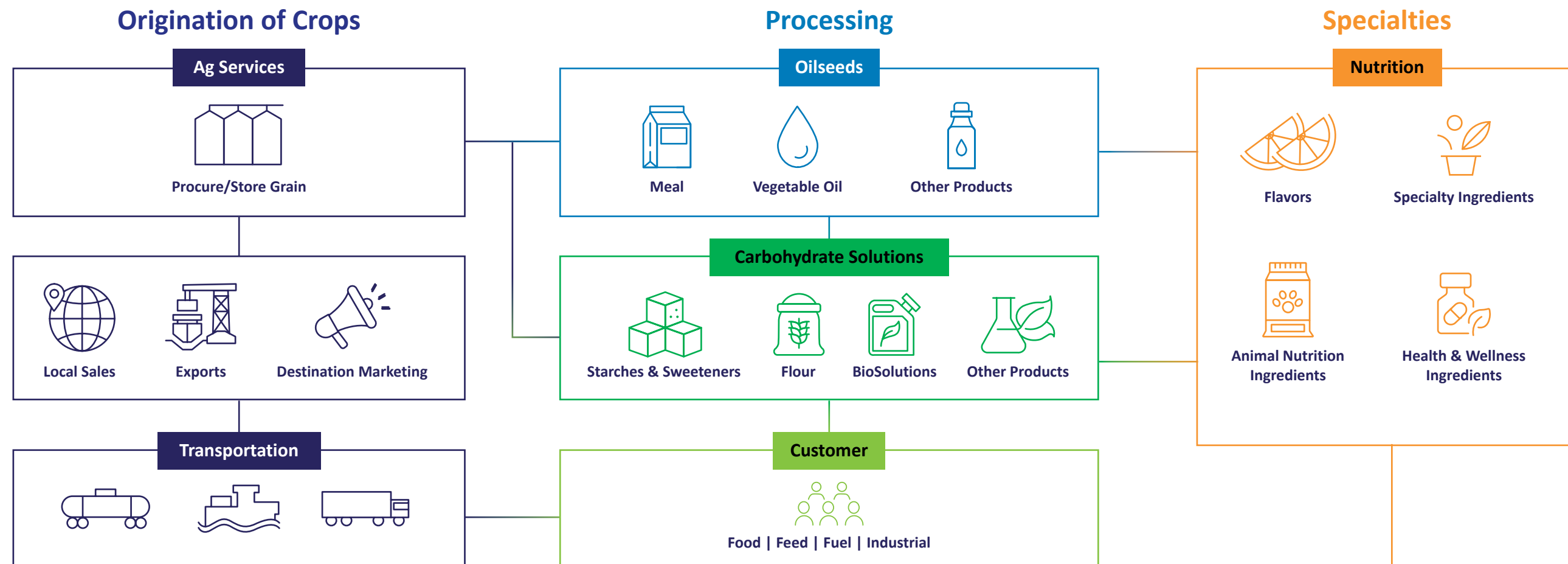
We engage in due diligence efforts throughout supply chains, taking actions that make a measurable and sustainable difference for communities and ecosystems around the world. ADM is a member of the United Nations Global Compact, and our due diligence efforts are aligned with the United Nations Guiding Principles.

ADM operates through three business units:

- Ag Services and Oilseeds promotes the global trade of oilseed commodities, including final products such as vegetable oils, biodiesel and protein meals.

- Carbohydrate Solutions engages in corn and wheat wet and dry milling.
- Nutrition offers a vast range of ingredients and solutions for human and animal nutrition.

The nature of ADM's supply chains and their corresponding risks vary. ADM established its Due Diligence Framework to generically assess and prioritize the main human rights risks in its supply chain and to prevent, resolve and mitigate our potential negative impact on local communities.



Corporate responsibility is embedded in ADM value chain

ADM's Sustainability's Strategy and efforts are integral to the work we do every day to serve customers and create value for shareholders.

Feed the World

Enrich Lives

Protect Nature

In 2023...

1 | Grower Communities

\$20.1M

was deployed in social and environmental projects to support local economic development and farmer health & safety



2 | Farming Practices of the Future

2.8M

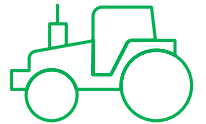
acres of land was in scope of our growing regenerative agriculture program, improving soil health and biodiversity



3 | Processing & Transportation

14.7%

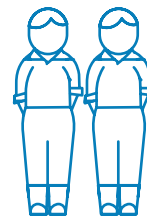
Scope 1 and 2 footprint reduction using 2019 as baseline as a result of our efforts to minimize our carbon footprint



6 | Customer

190

countries in which ADM supplied commodities, ingredients and solutions to customers. ADM has a critical role to play in safeguarding food security



5 | Product Portfolio

97.5%

of South American soy and **95.2%** of palm sourced by ADM are deforestation-free. By 2025, we intend to achieve a 100% deforestation-free supply chain



4 | Packaging

2,690

metric tons of plastic recovered in Brazil by improving our focus on circular economy and packaging traceability



How We Work



Corporate governance

ADM has been establishing a network of cells of regional expertise to leverage our efforts on human rights risk assessment and to provide support when a risk is identified or a concern is raised in our grievance systems. The network is part of the ADM Sustainability team led by the Chief Sustainability Officer (CSO).

The CSO provides sustainability and human rights updates to the Board of Directors at each quarterly meeting.

The Sustainability & Corporate Responsibility Board Committee 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.

The CSO is supported by regional sustainability teams in North America, South America, and EMEA. In addition to the sustainability team, the compliance team has responsibility for

the ADM Way Helpline that serves as an internal and external grievance mechanism for our employees and interested stakeholders.

The compliance team also tracks and ensures all employees complete annual compliance training and maintains the ADM Supplier Expectations Guidelines. The ADM Enterprise Risk Management (ERM) Team conducts quarterly reviews of all sustainability risks, including human rights risks.





We are committed to the communities where we live and work

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. [ADM Human Rights Policy](#) outlines our commitments and through collaborations with suppliers, customers, NGOs, governments, and other resources, we work to actively protect human rights throughout our supply chain.

The ADM Human Rights Policy is guided by United Nations Guiding Principles on Business and Human Rights (UNGPs), the International Bill of Human Rights and the International Labour Organization (ILO) Fundamental Principles and Rights at Work. The policy has been reviewed by the company's Sustainability & Corporate Responsibility Committee of the Board of Directors and has been authorized by Juan Luciano, Chair and Chief Executive Officer. The implementation of this policy is the responsibility of the ADM Sustainability team led by its Chief Sustainability Officer (CSO).

Along with the ADM Human Rights Policy, ADM has published the Company Code of Conduct and Policy to Protect Forests, Biodiversity and Communities which overarch our human rights commitments and ensure that our operations follow a socially fair and environmentally sustainable standard, contributing to the livelihood of the communities.

ADM sets global standards for good business practices

Our [Code of Conduct](#) is fundamental to everything we do at ADM, and the foundation that supports our strategic direction. Our Code of Conduct communicates what is expected from each of us and strengthens our culture of integrity. At ADM, we believe in making a positive impact and leading by example, setting a global standard for good business that other companies in our industry will follow. Our values and our Code of Conduct illustrate what doing business with integrity means to us, no matter where we are in the world.

The [Policy to Protect Forest, Biodiversity and Communities](#) outlines our efforts to build traceable and transparent agricultural supply chains that protect forests, biodiversity and communities worldwide. ADM aims to eliminate deforestation from its supply chains by 2025. In addition, we aim to have all our direct supply chains free of conversion of primary native vegetation in defined high-risk areas by December 31, 2025, and indirect supply chains free of conversion of primary native vegetation in defined high-risk areas by no later than December 31, 2027.



Named to World's Most Ethical Companies List



Named to FORTUNE Magazine's Most Admired Company List



Named to Newsweek's Greatest Workplaces for Diversity List

We carefully choose our suppliers to ensure they share our commitment to integrity

Healthy supplier relationships are critical to our success and we strive to promote a mutually beneficial business relationship based on the highest standards of ethical conduct. Suppliers to ADM are expected to do business fairly, ethically, and in compliance with all applicable laws and regulations at all times.

Furthermore, suppliers are expected to understand and abide the [ADM Supplier Expectations Policy](#), which its principles are organized in four core areas: business integrity, labor and human rights, environmental and land rights and compliance.

ADM expects direct suppliers to continuously self-assess compliance with ADM policies. Direct suppliers are expected to raise concerns or seek clarification on any element related to ADM policies with their ADM contact during creation of the procurement agreement. ADM expects direct suppliers to act in accordance with ADM policies and commitments and to require the same from their suppliers (ADM's indirect suppliers).



ADM frequently assesses the salient human rights risks in its supply chain

Our industry and communities evolve over time. Therefore, we are continuously seeking to identify, resolve, and/or mitigate adverse impacts of our operations on people and the environment. Likewise, we work on prevention by exploring the root causes of the reported issues in our supply chains. Our salient issues were determined based on the greatest severity to people and communities:



Impacts on
Communities



Just Transition
in Agriculture



Living Wages



Child Labor



Forced Labor



Health &
Safety



Gender
Discrimination



Our Due Diligence Guide



Due diligence framework

Intending to elevate the internal due diligence efforts on corporate responsibility, ADM developed an integrated framework – Standard Operating Procedure (SOP) - to serve as a guide to effectively identify, prevent, resolve, and/or mitigate adverse impacts on people and the environment in our supply chains.

Additionally, enables us to set and communicate clear expectations with our customers and suppliers, as an enforcement mechanism. The framework is based on the United Nations Global Compact (UNGC) Framework, the UN Guiding Principles on Business and Human Rights, and the Organisation for Economic Co-operation and Development (OECD) and the Food and Agriculture Organization (FAO) Guidance for Responsible Agricultural Supply Chains.

ADM's goal is to leverage the framework on a global scale, which will be achieved through a progressive rolling out in strategic regions and businesses.



ADM is constantly assessing its supply chains to minimize any negative impact on local communities

The Risk & Impact Assessment supports ADM's efforts to evaluate the risk exposure of our suppliers and elaborate specific measures to promote their alignment with ADM Supplier Expectation Policy. Our risk assessment is pursued throughout three sequential steps.

Risk & Impact Assessment:



Supply Chain Screening

Supply chains are generically evaluated to identify where risk to human rights and the environment may exist. The risk screening considers, but it is not limited to, social norms in country of origin, workforce situation and industry-specific practices.



Suppliers Assessment

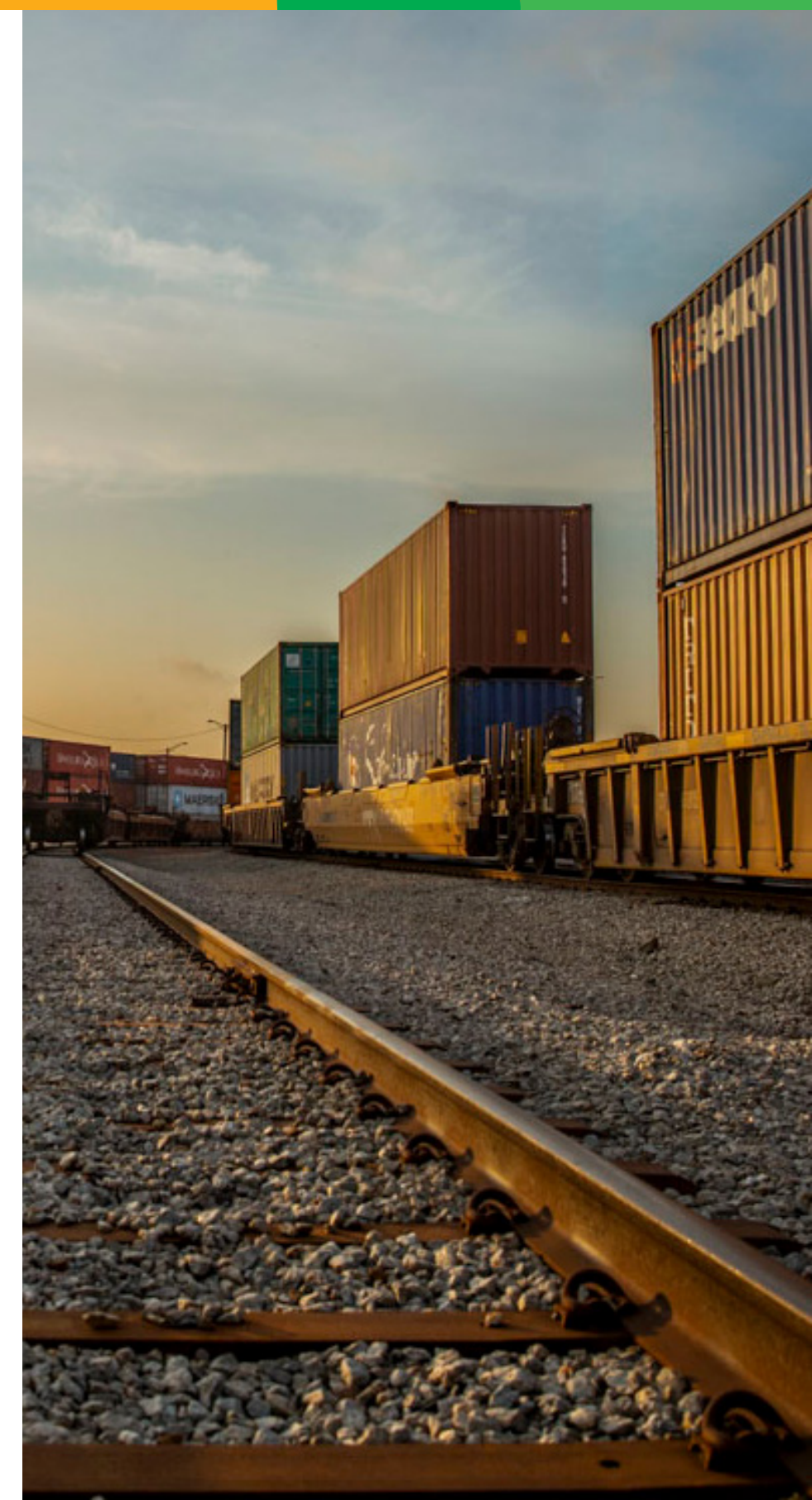
Supplier risk exposure is individually calculated based on multiple official indicators which evaluate the likelihood and severity of human rights infringements in supplier's operations.



Risk-Mitigation Measures

Risk exposures are prioritized and correlated to ADM's influence for obtaining risk mitigation, leading to a strategy to execute an effective supplier engagement program towards risk-mitigation measures.

We strive for solid business relations and open communication with stakeholders. However, any supplier found as non-compliant with our policies will be engaged according to our procedure for [Managing Supplier Non-Compliance](#).



Our processes aim to avoid adverse impacts on human rights but some impacts may not be foreseen

There are several ways a company can be tied to a potential human rights or environmental risk. The UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, to name a few guidelines, provide recommendations on how to evaluate the nature of the impact of companies on human rights and the expected actions to be pursued.

ADM follows the principle of “Cause,” “Contribute,” and “Linked to”, demonstrated in the chart below. To illustrate, if we are “Linked to” a risk, we have the responsibility to “prevent/avoid,” “mitigate,” and “use [our] leverage” to resolve the adverse impact of our supply chain on local communities.

ADM recognizes that not all impacts are equal – some may be more severe or specific in terms of consequences. Therefore, when a case is brought to our attention, an investigation is opened, and actions are carefully evaluated. To raise a concern or follow up on the status of the investigation, please use our official grievance mechanisms.

	PREVENT/ AVOID	CEASE	MITIGATE	REMEDiate	USE LEVERAGE
Prevent/ Avoid	☑	☑	☑	☑	
Prevent/ Avoid	☑	☑	☑	☑	☑
Prevent/ Avoid	☑		☑		☑

We provide an open channel to dialogue with communities

No matter where you are located, you can contact [The ADM Way Helpline](#) and anonymously type in your question or concern. You will be able to select your preferred language, submit a report or follow up on an existing report.

From January to October 2024, ADM Way Helpline received a total of 1,274 reports, from which 68% of the reports were closed. Each was classified by type and then assigned to an investigator to conduct an independent and objective review into the concerns raised. When substantiated, we implement corrective and disciplinary actions.

CLASSIFICATION	# OF REPORTS
Employee Relations	507
Diversity Equal Opportunity and Respect in the Workplace	353
Misuse or Misappropriation of Assets or Information	126
Environment, Health & Safety	90
Financial Concerns	73
Others	125
Total	1,274



Our sustainability grievance log is accessible and transparent

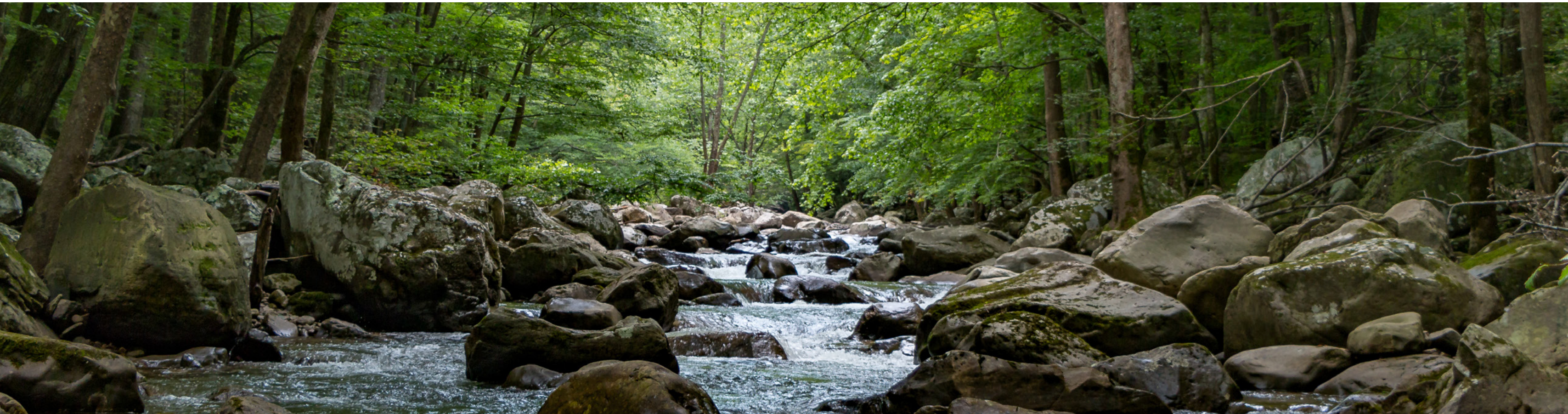
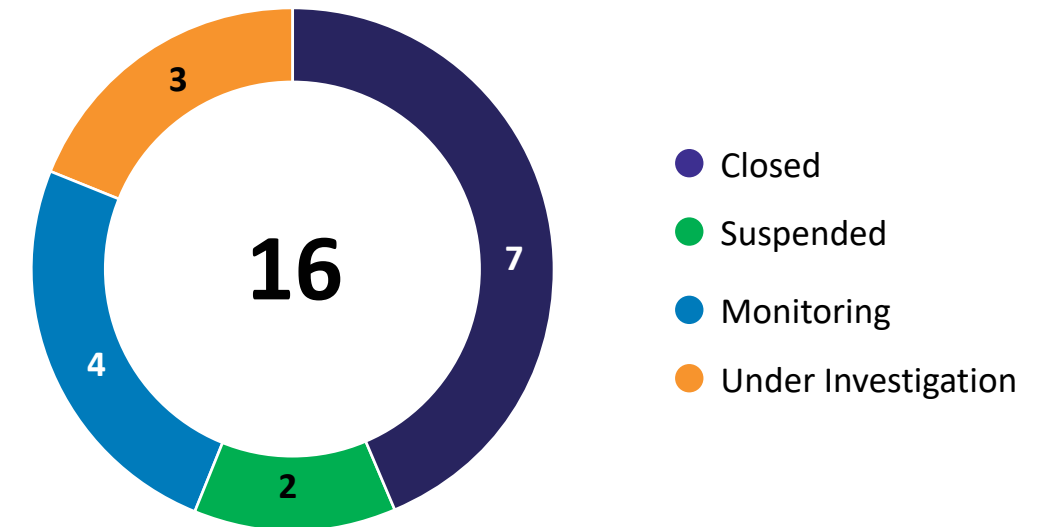
In addition to the ADM Way Helpline, our company offers a dedicated 'Grievance and Resolution' channel to raise any concerns and report issues covered by our Policy to Protect Forests, Biodiversity and Communities and Human Rights Policy.

We welcome any external parties, including individuals, government organizations and non-governmental organizations to send any concerns through email to responsibility@adm.com. We will investigate all allegations of non-compliance with our policies in accordance with our protocol and procedures.

The latest grievances related to our Policy to Protect Forests, Biodiversity and Communities, and our Human Rights Policy are available at [Grievances and Resolutions log](#).

From January to October 2024, we received 16 new grievances. ADM opened an investigating for each case, we are monitoring suppliers of 4 grievances and adopted a no-buy position from suppliers of 2 grievances.

Sustainability Grievances by Status in 2024





Complying with German Supply Chain Act (LkSG)

Background

Since 2023, the German Supply Chain Act (LkSG) requires select companies operating in Germany to implement a risk management system to identify, mitigate, and resolve upstream supply chain risks related to human rights and environmental violations.

Implications to ADM

Our Nutrition business in Germany is performing an annual due diligence covering ingredient suppliers and business-essential services.

Our Approach

The ADM risk-based approach relies on reputable indexes and sustainability measurements required by the German regulation. Driven by the risk assessment results, ADM's procurement team has been engaging with suppliers to guide them toward the risk-mitigation measure proportional to each supplier's overall risk-exposure and appropriate to the supplier's capacity. More information can be found in the ADM Declaration of Principle [\(EN\)](#) / [\(DE\)](#).

2024 Achievements

100%

Of ingredients have been traced back to their countries of origin, representing 64 sourcing countries

100%

Of ingredients were integrated in the ADM Supply Chain Risk Assessment.

100%

Of procurement colleagues were trained on ADM policies and our due diligence framework.

100%

Of assessed suppliers were engaged by our procurement and commercial teams

Our Actions



ADM assesses working conditions at its sites and encourage suppliers to adopt best practices

We invest in our people and strive to create a workplace where they can thrive. Hence, ADM has been continuously evaluating the environmental, health and safety conditions of our facilities through a robust internal audit program.

Furthermore, our company is part of SEDEX and Ecovadis, which assist us to identify risks within our operations regarding labor standards; environmental, health, safety conditions; and business ethics.

ADM has +115 sites in SEDEX, the largest online platform for assessing supply chain sustainability practices. Additionally, +30 ADM entities have been assessed through Ecovadis schemes. Our sites perform well in responsible sourcing assessments and audits, demonstrating the alignment of ADM sites with our environmental, social and governance (ESG) commitments.

ADM encourages its suppliers to join the Sedex platform. By leveraging the platform, we not only uphold our commitment to ethical sourcing but also foster stronger partnerships with our suppliers, creating a more sustainable and transparent value chain.

Our efforts to foster diversity are reflected in our suppliers

Our company has a dedicated Supplier Diversity team within our Global Procurement organization. The supplier diversity program focuses on building a diverse and resilient supply chain around the globe. We define diverse suppliers as businesses that are 51% owned and operated by minorities, veterans, women, hub-zoned, people with disabilities, and LGBTQIA+.

ADM has expanded its Supplier Diversity program globally, with regional supplier diversity champions overseeing the program in all parts of the world. We leverage strategic relationships with organizations such as the National Minority Supplier Development Council (NMSDC), Women's Business Enterprise National Council (WBENC), and WeConnect International to assist in finding the best diverse supplier for our sourcing opportunities.

ADM's best-in-class supplier diversity program continues to set a competitive standard, receiving multiple awards for excellence, most recently "Best of the Decade 100" supplier diversity program (MBN USA & WE USA), gold winner and "Top Global Champion" for Supplier Diversity (WeConnect International), and "Top 25 Diversity Change Leader" (DiversityPlus magazine).



Promoting supplier diversity in LATAM

Background

In the LATAM region, supplier diversity is more than just a goal—it's a strategic focus driven by the collaboration between ADM's Procurement and Marketing teams. One of Procurement's essential roles is to diversify the supplier base by identifying and developing suppliers to make them business-ready partners.

ADM's search for diverse suppliers led to a standout partnership with Infoclipp, a woman-owned digital marketing agency based in Mexico.

Initially, the agency was select to support two of ADM's pet food brands.

Growing Together

Infoclipp's distinctive performance sparked a new sourcing event, and with demonstrated expertise and potential for growth, Infoclipp was invited to compete for a larger role. As a medium-sized company, Infoclipp needed to expand capacity to serve additional ADM brands. The Request For Proposal (RFP) requirements helped to ensure readiness for scaling up, emphasizing ADM's commitment to fostering supplier growth.

Latest Achievements

After a carefully planned transition, Infoclipp expanded its service to seven ADM brands, with responsibilities extending beyond Mexico into Colombia, Costa Rica, Panama, and Guatemala. The agency also adapted its strategies to align with each country's unique culture and consumer preferences, strengthening ADM's market entry and customer engagement.





We source palm oil from suppliers publicly committed to sustainable practices and human rights

ADM does not own palm plantations or operate palm mills. Nevertheless, ADM collaborates to promote environmental and social integrity in the upstream palm supply chain. In order to ensure supplier alignment with ADM's policy, we engage with external consultants to develop reliable mechanisms:

- New supplier onboarding due diligence: background check to ensure potential new suppliers have reliable processes to uphold ADM standards.
- Palm supplier scorecard and engagement: annual assessment of suppliers' sustainability performances and sharing of a guiding template for continuous improvement.
- Supplier compliance monitoring program: continuous monitoring of expansion and working conditions at origin plantations.
- Grievance verification program: external satellite verification services and on-field investigations.

In addition to our effort to prevent any negative impact on local communities by carefully selecting our palm oil suppliers, our company, through ADM Cares, provides financial support to social programs aiming to improve living standards in local communities.

To learn more about our palm programs, go to [ADM Palm Action Plan](#) and [2024 Palm Oil Progress Report](#)

Our metrics:

100%

of the volume is sourced from companies publicly committed to no-deforestation, no-peat, no-exploitation practices

99.7%

of the volume is sourced from companies that have a public grievance log covering human rights protection

97.1 %

of volume is sourced from companies that conduct human rights due diligence

98.9%

of volume is sourced from companies that undertake environmental risk assessment of mills in their supply base

As we strive to achieve a deforestation-free soy supply chain in South America, our focus extends beyond direct suppliers

In 2022, ADM achieved the milestone of a soybean supply chain fully traceable to region of origin in Brazil, Argentina, Paraguay and Uruguay. In the past years, our efforts have been directed towards leveraging our systems to guarantee traceability down to the farm level and deploying satellite technology to effectively monitor deforestation and conversion of native vegetation in high-risk areas.

Intermediaries between ADM and soybean growers (indirect suppliers), pose as a challenge to quickly achieve a traceable supply chain at a farm level. Due to commercial strategy and data protection policies, indirect suppliers do not disclose farmer details to customers. Aiming to promote sustainability compliance while ensuring the confidentiality of commercial information, ADM is implementing the following mechanism:



Supply Chain Mapping

Soybeans sourced from indirect suppliers are mapped back to the first point of aggregation



Risk Screening

Agricultural areas surrounding the first point of aggregation are evaluated based on deforestation and conversion risk



Proof of Compliance

Suppliers in high-risk areas must submit a proof of compliance ensuring that ADM's sustainability policies and standards are followed

Our metrics:

100%

of soybean purchases in South America were traceable to origin

97.5%

of soybean purchases in South America were deforestation-free

70%

of soybean purchases in Brazil were from direct suppliers

To learn more about our soy programs, go to [H2 2023 Soy Progress Report](#)



ADM Cares: Bolstering communities where colleagues live and work

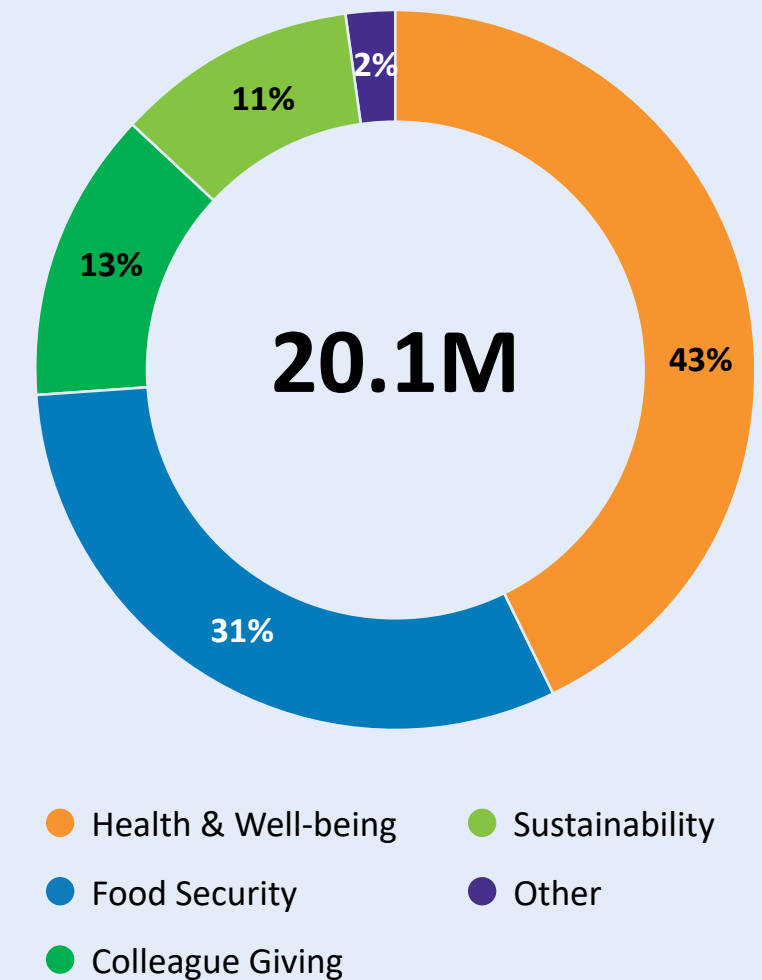
ADM's corporate social investment program, ADM Cares, aligns corporate giving with business strategies and sustainability objectives. Through the program, we work to sustain and strengthen our commitment to communities where we work, live and operate by directing funding to initiatives and organizations driving meaningful social, economic and environmental progress.

In 2023, ADM Cares grants focused on three key areas aligned with our corporate mission of unlocking nature to enrich lives: sustainability, food security, and health and well-being. The ADM Cares team assesses potential projects to ensure they meet specific criteria and contribute to our objectives in these focal areas.

The impact of projects supported by ADM Cares is evaluated through annual reports to continually assess community needs and address pressing issues. By concentrating on these areas, ADM Cares initiatives further our sustainability goals, particularly by partnering with entities that align with the United Nations Sustainable Development Goals (SDGs) relevant to our sustainability and business targets:



In 2023, ADM Cares deployed
\$20.1 million
in social and environmental projects



Promoting sustainability and human rights in orange juice supply chain through Project Fruto Resiliente

Alignment with ADM Commitments

As part of our commitment to promote sustainability and human rights in our supply chains, ADM sponsored the project '*Fruto Resiliente*'. The project aims to improve the competitiveness and resiliency of small citrus farmers in Brazil by promoting a better agricultural practices which lead to global recognition by achieving international sustainable standards and improve working condition of agricultural workers, especially seasonal workers.

Project Development

In 2019, Solidaridad - a civil society organization with a focus on promoting fair and sustainable supply chains - and key players in the orange processing and beverage industry launched project Fruto Resiliente in the Brazilian citrus belt, which is responsible for producing 90% of the orange juice in the country. In 2024, ADM Cares joined forces and began supporting the project.

Project Achievements

700

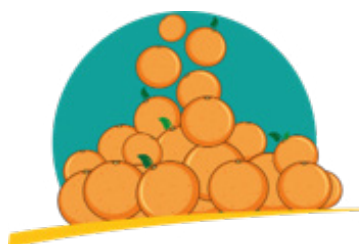
small citrus farmers were impacted, which 480 farmers were directly supported through over 4,400 technical visits and training content.

256

farmers participated in training sessions including, among others, working conditions: minimum wage, working hours, workers' rights, adequate farm and accommodation structure for workers, use of PPE, hiring and contracts with third-party companies.

4,182

permanent workers or seasonal workers have already benefited directly and indirectly from the projects' activities and materials.



**FRUTO
Resiliente**
fortalecendo a produção
sustentável de laranja



