



Policy to Protect Forests, Biodiversity and Communities

Effective Date: March 2015

Last Update/Review Date: May 2026

1. Objective

As one of the world's leading agricultural supply chain managers and nutrition providers, ADM focuses on preventing deforestation and the conversion of primary native vegetation, and on protecting biodiversity, ecosystems, and communities across its supply chains.

This policy establishes ADM's enterprise-wide approach to addressing deforestation and conversion of primary native vegetation, across all commodities and geographies in which ADM operates. It is implemented in alignment with internationally recognized best practice, including the OECD-FAO Business Handbook on Deforestation and Due Diligence in Agricultural Supply Chains, as well as guidance from the Accountability Framework initiative (AFi)¹.

ADM will continue to strengthen its policies and practices in line with evolving science, industry standards, regulatory requirements, and internal goals.

2. Scope

This policy applies to ADM's own operations, all direct and indirect suppliers and all companies and joint ventures in which ADM holds a controlling ownership stake (>50%).

3. Policy Approach and Expectations

Although ADM does not grow crops, it works independently and collaboratively with suppliers, customers, governments, and civil society to promote socially and environmentally responsible agricultural production.

ADM applies a risk-based approach to the implementation of this policy, using commodity- and region-specific methodologies that reflect differences in supply chain structures, risk profiles, and sectoral standards. While implementation approaches may vary, they are aligned with ADM's overarching policy to prevent deforestation and conversion of primary native vegetation, protect biodiversity, and respect human rights.

¹ [The Accountability Framework](#)



ADM requires the following outcomes across its supply chains:

- **Environmental Protection:**
 - No deforestation and no use of fire for land clearing, land preparation, or plantation management;
 - No conversion of primary native vegetation, including forest and non-forest ecosystems, after applicable cutoff dates;
 - No development of High Conservation Value (HCV) and High Carbon Stock (HCS) areas, and promotion of ecological restoration where degradation has occurred;
 - Protection of peatlands, including the application of appropriate conservation measures and best management practices;
 - Reduction of greenhouse gas emissions associated with land use and agricultural production.
- **Human Rights and Social Responsibility:**
 - Respect for the rights of indigenous peoples and local communities, including Free, Prior, and Informed Consent (FPIC);
 - Respect for internationally recognized human rights, including the UN Guiding Principles on Business and Human Rights, the Universal Declaration on Human Rights, and ADM's [Human Rights Policy](#);
 - Respect for labor rights, in line with the ILO Declaration on Fundamental Principles and Rights at Work and applicable legislation²;
- **Legal Compliance and Responsible Practices:**
 - Compliance with all applicable local, national, and international laws, including environmental, labor, and land-use legislation;
 - Prohibition of hazardous chemicals, including those listed under the Stockholm Convention, Rotterdam Convention, and WHO Class 1A and 1B pesticides;
- **Enabling and Supporting Actions:**
 - Inclusion of smallholders through responsible engagement and capacity-building approaches;
 - Support for sustainable agriculture as a driver of economic development, poverty reduction, and food security.

² In any instances in which national law and international human rights standards are not aligned, ADM will comply with national law while seeking to respect internationally recognized human rights to the extent practicable.



4. Priority Commodities and High-Risk Areas

This policy applies to all ADM supply chains. ADM periodically reviews its sourcing footprint to identify supply chains that present the highest risks of deforestation and conversion of primary native vegetation. The results of these reviews inform the company's goals and guide the implementation of this policy.

ADM has identified palm and soy as priority commodities based on current risk exposure and supply chain footprint. ADM will expand this approach over time to additional commodities, including corn and cotton, as part of a phased implementation of responsible sourcing commitments.

ADM's priority regions for addressing deforestation and the conversion of primary native vegetation include Southeast Asia, Latin America, and key biomes such as the Amazon, Cerrado, Pantanal, and Chaco³. ADM applies its commitments across all countries within these biomes where it sources commodities.

Commodity-specific policies define how these commitments are implemented in practice and may include more detailed or tailored requirements, methodologies, and timelines reflecting supply chain characteristics and risk levels code.

5. Deforestation- and Conversion-Free Cutoff and Target Dates

ADM establishes cutoff and target dates to guide the implementation of its deforestation- and conversion-free policy, consistent with AFi and OECD-FAO guidance. ADM recognizes that cutoff dates are commodity- and region-specific and are not expected to be fully aligned across supply chains. As ADM continues to advance its implementation programs, additional clarity, refinement, and guidance will be developed and communicated, as appropriate.

- Note: For details on commodity-specific cutoff dates and policies, please refer to ADM's [Soy Sourcing Policy](#) and [Palm Oil Sourcing Policy](#).

Where applicable, laws or regulations imposing more stringent requirements, including earlier cutoff dates, shall prevail.

³ ADM follows official biome boundaries established by national authorities in each relevant sourcing country.



6. Due Diligence and Policy Implementation

ADM implements this policy through a continuous, risk based due diligence framework, consistent with OECD-FAO guidance. This framework is designed to identify, assess, and address deforestation- and conversion related risks across ADM supply chains and is applied proportionately based on risk severity and likelihood.

6.1. Supply Chain Assessment and Traceability

ADM conducts risk assessments across its supply chains by commodity, geography, and supplier, prioritizing risks based on the severity and likelihood of potential adverse impacts. ADM applies a risk-based approach to traceability, pursuing the highest level of granularity appropriate to the identified risk. In defined high-risk areas, ADM establishes control points to enable effective oversight and support risk mitigation across the supply chain.

6.2. Supplier Engagement

ADM engages suppliers through the clear communication of policy expectations and ethical business conduct requirements. Suppliers will be subject to risk-based screening based on geographic, commodity, and compliance factors. Higher-risk suppliers may undergo enhanced due diligence, including additional documentation, audits, corrective action plans, or independent verification. Monitoring outcomes will inform escalation measures, including suspension or disengagement where necessary.

6.3. Monitoring, Verification, and Corrective Action

ADM monitors supply chain compliance and risk exposure using remote sensing, geospatial analysis, and other relevant monitoring tools. Risk-based verification measures, including audits or independent verification, are implemented where appropriate to assess adherence to the policy. ADM tracks implementation progress and the effectiveness of mitigation measures over time. Where non-compliance or adverse impacts are identified, ADM applies corrective action and escalation processes, including engagement with suppliers to address issues and, where appropriate, support the remediation of impacts.

6.4. Reporting

ADM communicates transparently on its due diligence approach and implementation progress through public sustainability disclosures. ADM embeds responsible business conduct into its management systems and oversight structures, maintains accessible grievance mechanisms, and addresses concerns in a timely and rights compatible manner. Relevant information is made publicly available through ADM's sustainability disclosures to support accountability and continuous improvement.



7. Non-Compliance, Remediation, and Grievances

Grievances related to this policy are received and investigated by ADM in accordance with ADM's [Grievances and Resolutions Protocol](#). We will address non-compliance in accordance with the protocol for [Managing Supplier Non-Compliance](#). ADM reviews and assesses grievances in a transparent, inclusive, and fair manner, and determines appropriate follow-up actions, including engagement with relevant suppliers or stakeholders and the application of corrective or remedial measures where warranted.

8. Governance and Review

Oversight of this policy is provided by the Sustainability & Corporate Responsibility Committee of the ADM Board of Directors. Implementation is led by management and embedded within ADM's management systems and risk governance structures.

This policy is reviewed at minimum every two years to ensure alignment with evolving regulatory requirements, scientific understanding, and best practice.

9. Definitions

- **Biodiversity:** The total variety of living organisms, including ecological interactions, populations and communities in which they live (FAO Term Portal).
- **Conversion of primary native vegetation:** Change of a natural ecosystem, such that a human caused change of non-forest primary native vegetation results in another land use or profound change in a natural ecosystem's species composition, structure, or function.
- **Cutoff date:** Date after which deforestation or conversion of primary native vegetation renders a given area or production unit non-compliant with the policy of no deforestation or no conversion of native vegetation.
- **Deforestation:** Conversion of primary native forests to other land use independently whether human-induced or not (FAO, 2020).
- **Direct supplier:** Aggregators, producers, or other entities that supply agricultural commodities to ADM under a direct commercial relationship with ADM. *Note: Supplier definitions may vary by commodity. Please refer to ADM's commodity-specific sourcing policies for precise definitions.*
- **Ecosystems:** All living things in a given area, as well as their interactions with each other, and with their non-living environments (weather, earth, sun, soil, climate,



atmosphere). Each organism has a role to play and contributes to the health and productivity of the ecosystem as a whole (FAO Term Portal).

- **Forest:** Land spanning more than 0.5 hectares with trees higher than 5 meters and a canopy cover of more than 10 percent, or trees able to reach these thresholds in situ. It does not include land that is predominantly under agricultural or urban land use (FAO, 2020).
- **Free, Prior and Informed Consent (FPIC):** In 2007, the UN General Assembly adopted the United Nations Declaration on the Rights of Indigenous Peoples, recognizing their rights and making specific mention of Free, Prior and Informed Consent (FPIC) as a pre-requisite for any activity that affects their ancestral lands, territories and natural resources.
- **High Carbon Stock (HCS):** Viable forest areas storing significant quantities of carbon, usually associated with high vegetation density. When HCS forests are removed, particularly when fire is used to clear land, the carbon contained in the forests is released into the atmosphere in the form of CO₂.
- **High Conservation Value (HCV):** A concept used to prioritize conservation efforts. Several factors can determine if a species (or ecosystem) is of high conservation value, for example: the endangerment, risk or uniqueness; the functional contribution and potential to provide ecosystem services; the extrinsic value to local populations and stakeholders. Because the value of biodiversity is subject to value judgement, conservation value should be defined through stakeholder engagement (FAO Term Portal).
- **High-risk areas:** Regions or biomes considered at risk for conversion of non-forest primary native vegetation that need protection. The Amazon, Cerrado, Pantanal, and Chaco are ADM's currently defined high-risk areas for commodities production; and Southeast Asia and Latin America are ADM's currently defined high-risk areas for palm.
- **Indirect supplier:** Entities located further upstream in the supply chain — including cooperatives, producer groups, and other third parties — that supply agricultural commodities to ADM through intermediaries rather than via a direct commercial relationship. *Note: Supplier definitions may vary by commodity. Please refer to ADM's commodity-specific sourcing policies for precise definitions.*



- **Ownership stake or equity stake:** The percentage of a business owned by the holder of some number of shares of stock in that company. For the purpose of the policy, it refers to ownership stake of more than 50% by ADM.
- **Peatland:** An area with a naturally accumulated peat layer at the surface. The simple definition of a peatland is an area where peat is found. Peat, or turf as it is often called in Ireland, is a type of soil that contains a high proportion of dead organic matter, mainly plants, that has accumulated over thousands of years. Close inspection can reveal the types of plants that grew, died and accumulated to form a piece of peat (FAO Term Portal).
- **Primary native vegetation:** An assemblage of native plant species in a specific place or region that has adapted to environmental and biological conditions and has suffered little or no human intervention.
- **Target date:** Date by which the company intends to have fully implemented its policy in a given supply chain.

10. References

- FAO, 2020. Global Forest Resource Assessment 2020. Terms and Definitions. FRA 2020, Rome. <http://www.fao.org/3/i8661EN/i8661en.pdf>
- Food and Agriculture Organization. (n.d.). *FAO Term Portal*. <https://www.fao.org/faoterm/en>
- OECD/FAO, 2023. OECD-FAO Business Handbook on Deforestation and Due Diligence in Agricultural Supply Chains, OECD Publishing, Paris. <https://doi.org/10.1787/c0d4bca7-en>

11. Contact Information

Concerns related to the application of this policy can be reported through the [ADM Way Helpline](#) or by contacting our Grievance and Resolution channel at responsibility@adm.com.