



ADM's contribution to the EU Code of Conduct on Responsible Food Business and Marketing Practices

At ADM, we unlock the power of nature to enrich the quality of life for people across the world. We know that the health of our natural resources is critical to our future, and that our commitments to sustainable practices will result in a stronger ADM *and* a better planet.

We are proud to be the go-to sustainable sourcing partner for our customers, and more widely, we are committed to driving change through good practices, progressive solutions and mindful actions that make a positive impact.

Focus on the topics where ADM can meaningfully contribute with the EU Code of Conduct's objectives

Materiality is a crucial step in defining our sustainability program, as it allows us to focus our reporting on topics that reflect the economic, environmental and social impacts that are the most significant to our strategy, business operations and to our stakeholders.

ADM engaged a third-party consultant to undertake an updated formal materiality assessment Through interviews, survey and research with internal and external stakeholders, including ADM leadership, Investors, Customers Employees and Civil society/ NGOs.

The assessment results will guide our sustainability strategy in the coming years. They indicate several key topics that are consistent across all stakeholder groups as of critical importance including GHG Emissions, Deforestation & Conversion, Governance and Water Management. Therefore we support the initiative of the European Commission to establish an EU Code of Conduct for the whole food sector. Under this code we commit ourselves to:

A climate neutral food chain in Europe by 2050

Since 2011, we are committed to improvements in energy and water usage, greenhouse gas emissions and waste to landfill rate. We achieved all targets from our original "15x20" plan (15 percent reduction in each category until 2020) ahead of schedule, and we know we can do even more. We have a large economic footprint and we know it is important to reduce greenhouse gas (GHG) emissions related to our business activities and the entire agricultural supply chain. We use internal and external science-based resources to identify opportunities and take action to reduce our GHG emissions globally. We engaged with a leading engineering professional services firm to conduct an in-depth [carbon reduction feasibility study](#) to help us shape our set of goals called Strive 35, announced in 2020, to mitigate the effects of climate change.

1. We will go beyond net emissions on our commitment to reduce GHG emissions by pledging an **absolute reduction** in GHG emissions: 25 percent over 2019 baseline by year 2035 (*By comparison, the EU-wide targets have 1990 as baseline*).
2. We commit to reducing energy intensity by 15 percent over 2019 baseline by year 2035.

An optimized circular and resource-efficient food chain in Europe

ADM uses natural resources in manufacturing, storage and distribution, including electricity, water, fuel and raw materials. We also generate waste and have chemical storage onsite at many of our facilities, which have the potential to impact land, water and air. As a company, we are pursuing ways to continually improve our efforts in both protecting the environment and enhancing environmental sustainability. As part of our Strive 35 program, we are committed to improving resource-efficiency within our own operations, including improvements on water management practices and waste from landfill.

1. We will reduce our water intensity by 10 percent over 2019 baseline by 2035.
2. We commit to 90 percent diverted waste from landfill over 2019 baseline by 2035.



3. We defined 5-year milestones to keep track of improvement and ensure we reach our goals.

Sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

At ADM we work to create a diverse and inclusive culture where colleagues feel they belong and are empowered to contribute fully and do their best work. We believe diversity, equity and inclusion (DE&I) are key business priorities that will enable us to continue innovating, driving growth through customer focus, and delivering outstanding performance for shareholders. We bring together colleagues with different backgrounds, perspectives, and experiences. Our leadership engagement, training and communication pillar has championed DE&I by moving from awareness to action through storytelling. Guided by our global communications calendar to celebrate DE&I-related events year round, such as Pride Month, International Women’s Day, and the Global Week of Understanding, we have been producing stories to inspire colleagues as well as provide guidance. We have made a commitment through [Paradigm for Parity](#) to achieve gender parity in our senior leadership team.

Since making this commitment in 2018, we have improved our gender diversity from 21% to 27%. We are proud of our achievements to date, and we will continue to strengthen diversity within middle management and entry-level hiring so the progress at the senior leadership level is sustainable over the long-term. This strategic cultural priority will continue to strengthen our ability to innovate and drive profitable growth.

1. We reaffirm our pledge to achieve 50 percent gender parity among ADM’s senior leadership structure by 2030.

Sustainable sourcing in food supply chains

ADM is fully committed to ending deforestation, and to preserving biodiversity and water resources in our supply chains. This includes holding our suppliers accountable for producing commodities in ways that do not further deforestation in order to reduce impact on climate change. We believe that sustainable, ethical and responsible production by the food industry is critical for curbing global warming, conserving native biodiversity, and upholding the rights of indigenous communities and smallholders.

Natural resources are essential to an abundant future, and we are striving to reduce the impact of our operations and supply chain while making a positive contribution to the wellbeing of people and the health of the planet. ADM is committed to continuous improvement and to adaptation based on the latest science. We began the process of revising our policy in 2020, and have made improvements to reflect current social and environmental standards and stakeholders expectations. In March 2021, we released our revised [Policy to Protect Forests, Biodiversity and Communities](#) to help transform agricultural supply chains.

1. We aim to eliminate deforestation from all of our supply chains by 2030.
2. We commit to achieve full traceability of direct and indirect sourcing throughout our soy supply chains in Brazil, Paraguay and Argentina by the end of 2022.
3. We pledge to promote initiatives to protect native vegetation beyond forests with the aim to end native vegetation conversion in the shortest time possible, reconciling production of soy with environmental, economic and social interests in high risk areas such as the Cerrado and Chaco biomes in South America.

