

# EU CODE OF CONDUCT ON RESPONSIBLE FOOD BUSINESS AND MARKETING PRACTICES

TEMPLATE FOR COMPANIES

ADM

REPORT SUBMITTED ON 29 APRIL 2022

<b>Type of business/sector</b>  <i>(E.g. retail, dairy)</i>	<b>Sustainability dimension</b>  <i>(E.g. environmental, social)</i>	<b>Code aspirational objective</b>  <i>(1-7)</i>	<b>Individual commitments with baseline</b>	<b>Progress on KPIs and goals (qualitative and/or quantitative)</b>	<b>Additional information (optional)</b>  <i>(E.g. partnerships, geographical coverage, sharing best practices, links with other COM initiatives, with other reporting initiatives)</i>	<b>Comments (optional)</b>  <i>(E.g. enablers, ideas on how to improve)</i>
<b>Food processing</b>	<b>Environmental</b>	<b>3</b>	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-	In 2021, we achieved 6% reduction over the 2019 baseline	We have identified several projects to help us achieve our Strive35 reduction targets, some of which are highlighted below: <ul style="list-style-type: none"> <li>• Renewable Energy Procurement.</li> <li>• Transportation Fleet Upgrades.</li> <li>• NET Power</li> </ul>	In addition to our Scope 1 and 2 reduction target, at the end of 2021 we announced a 25% reduction in Scope 3 GHG emissions over 2019 baseline by 2035

			wide targets have 1990 as baseline).			
<b>Food processing</b>	<b>Environmental</b>	<b>3</b>	We commit to reducing energy intensity by 15 percent over 2019 baseline by year 2035.	In 2021, we achieved 2.8% reduction over the 2019 baseline	Our facilities have implemented an energy management program based on ISO 50001, with 16 facilities ISO certified. In 2021, we began the process to certify another ADM facility, which will increase the total number certified production facilities to 17. We calculate energy consumption for all facilities under our operational control using a combination of utility bills, operations data tracking systems, and fuel purchase records, which consists of: <ul style="list-style-type: none"> <li>• Renewable fuel consumption (biofuels such as wood and biogas burned onsite).</li> <li>• Non-renewable fuel consumption (fossil fuels burned onsite).</li> <li>• Electricity consumption (purchased from utilities or power providers).</li> </ul>	

					<ul style="list-style-type: none"> <li>• Steam consumption (purchased from utilities or other off-site providers). The fuels burned onsite are used to generate steam and heat, as well as electricity at locations with cogeneration facilities. To ensure proper accounting, any electricity produced by our cogeneration facilities that gets sold to the grid is subtracted from our total energy consumption. In 2021, we implemented over 75 energy-saving projects across our business units.</li> </ul>	
<b>Food processing</b>	<b>Environmental</b>	<b>4</b>	We will reduce our water intensity by 10 percent over 2019 baseline by 2035.	In 2021, no reduction was achieved, but we continue on track to achieve our commitment	With the help of a professional service firm, we are developing our Strive35 Water Scarcity Program. In 2021, we completed the first phase of this effort, addressing the program’s strategic objectives, and we are continuing our efforts in defining the operational and institutional practices for the program. Our water use reduction efforts are focused on 45 of our largest sites, which	

					<p>collectively account for more than 95% of our global water usage.</p> <p>We refer to these sites as our Major Water Users Group (MWUG), and we measure water usage at these sites using a combination of flow meters and utility bills. We exclude once-through cooling water from our withdrawal numbers because we return the water to its original location with only a change in temperature. Although we reuse and recycle water through various processes such as cooling tower recirculating, for calculation purposes we only include the water reused after it has been processed in our onsite wastewater treatment facility.</p> <p>To reduce the use of fresh water, we practice the three Rs: reduce, reuse, and reclaim. Our sites have adopted best management practices for minimizing water use and maximizing its reuse before disposal.</p>	
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					Further, we have advanced a number of reclaim operations where wastewater is further treated and returned for use within our facilities. Across our MWUG locations, we are regularly investigating new technologies that could increase water reuse and reclaim opportunities and further reduce our fresh water intake.	
<b>Food processing</b>	<b>Environmental</b>	<b>4</b>	We commit to 90 percent diverted waste from landfill over 2019 baseline by 2035.	In 2021, we improved our landfill diversion rate to over 84%.	To achieve our goal, in 2021 we engaged a third-party waste management vendor, tapping into an extensive network of beneficial use and recycling outlets. Some examples of landfill diversion projects include: <ul style="list-style-type: none"> <li>• Use of wood briquettes to fuel its steam boilers, creating a high-phosphorous ash suitable for land application by local farmers, reducing both greenhouse gas emissions waste to landfill.</li> <li>• Shipping previously landfilled biomass from wastewater treatment operations to a local farmer</li> </ul>	

					<p>to help return nutrients to agricultural fields.</p> <ul style="list-style-type: none"> <li>• Waste separation separation awareness campaign with its cleaning staff and plant colleagues to promote recycling. To support the campaign, the facility's waste vendor provided an extra container that remains onsite to facilitate further separating of recyclables from waste destined for landfill.</li> </ul>	
<b>Food processing</b>	<b>Economic</b>	<b>5</b>	We reaffirm our pledge to achieve 50 percent gender parity among ADM's senior leadership structure by 2030.	In 2021, we achieved 26% of gender parity among ADM's senior leadership.	Our DE&I strategy includes four focus areas: Leadership Engagement & Communication, Recruitment, Advancement & Retention, and Networks & Sponsorships. To ensure our strategy aligns with our overall business strategy, we have a global DE&I council. Since we announced our commitment, we have improved our gender diversity from 21% to 26%. We will continue to strengthen diversity within middle management and entry-level hiring to	

					<p>ensure long-term parity at the senior leadership level. In 2021, we launched the first of our Employee Resource Groups (ERGs) focused on women as part of our DE&amp;I vision and strategy. The ERGs, also known as Affinity Groups, are voluntary, employee-led groups where colleagues with shared experiences, interests or goals can come together in a safe space to provide support, build a sense of community, and promote personal and professional development.</p> <p>We also held a Global Women's Leadership Summit – a two-day virtual event aimed at inspiring and motivating ADM's female leaders, as well as providing them with tools to help navigate career development to advance more women into senior leadership roles. The summit, which took place in March 2021, featured motivational speakers and roundtable discussions with members of ADM's top</p>	
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					leadership, Executive Committee, and Board of Directors, as well as a representative from Paradigm for Parity®.	
<b>Food processing</b>	<b>Social</b>	<b>7</b>	We aim to eliminate deforestation from all of our supply chains by 2025.	For our soy supply chain in Brazil, in 2021 we have mapped 100% of our direct suppliers to farm (polygons). This database enabled us to measure our Deforestation and Conversion Free footprint, which in 2020 was 97% DCF.	We participate in several multi stakeholder initiatives worldwide that are leading the transformation of the soy supply chain. We participate in the Soft Commodities Forum (SCF) of the World Business Council for Sustainable Development (WBCSD) along with other industry/trading companies who share the same goals of eliminating deforestation and exploitation in their supply chains. Our objectives focus on defining common standards that will bring more transparency to the sector as a whole, and searching for financial incentives that will protect forested areas and promote the use of areas previously cleared land. We also engage with growers through sustainable farming extension programs including	In April 2022, ADM announced a commitment to achieve 100% deforestation-free supply chains by 2025, five years earlier than previously targeted. The accelerated timeline applies to direct and indirect sourcing of all commodities from every country in ADM's supply chain.

					Produzindo Certo, Sustentagil, and SOJA PLUS.	
<b>Food processing</b>	<b>Social</b>	<b>7</b>	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.	We have achieved traceability for 100% of our direct and indirect soy suppliers in Argentina, Brazil and Paraguay.	For direct suppliers, we map to the farm level using digital satellite mapping (polygons). For indirect suppliers, we trace to the first aggregation point and then monitor a radius around that location for indications of deforestation. In areas with a high risk of conversion to soy, indirect parties will also be required to show compliance with company's policies on the volumes sold to ADM.	