



# Archer Daniels Midland Company (NYSE: ADM)

## CONSTITUENCY INDUSTRY, TRADE AND FINANCE

Date: 18/02/2020

Primary contact responsible for the institutional commitment to RTRS  
(name, e-mail, phone number, office address)

→Ana Yaluff, Sustainability Manager Europe

Person reporting  
(If different)

→Ana Yaluff, Sustainability Manager Europe

Please state what the main activities of your organization are, both overall and those specifically linked to soy production:

→At ADM, we unlock the power of nature to provide access to nutrition worldwide. With industry-advancing innovations, a complete portfolio of ingredients and solutions to meet any taste, and a commitment to sustainability, we give customers an edge in solving the nutritional challenges of today and tomorrow. We're a global leader in human and animal nutrition and the world's premier agricultural origination and processing company. Our breadth, depth, insights, facilities and logistical expertise give us unparalleled capabilities to meet needs for food, beverages, health and wellness, and more. From the seed of the idea to the outcome of the solution, we enrich the quality of life the world over. Learn more at [www.adm.com](http://www.adm.com).

Please state in which regions the organization operates

→ADM is an agricultural processors and food ingredient providers, serving customers in more than 170 countries in Africa, Asia-Pacific, Europe, North America and South America

Is the person reporting for the entire organization or a specific region? (please, state which one)

→Entire organization

What is the organization's policy on soy  
please provide link if available

→ADM procures agricultural commodities around the world. Our policies and commitments apply to our entire supply chain with implementation activities focusing first on high-risk geographies. We have identified soy in certain expansion areas of South America and palm globally as high-risk commodities.

In March 2015, we announced our Commitment to No-Deforestation, which includes provisions related to No-deforestation, no expansion on peat, and no exploitation, with a focus on our palm and soy supply chains. The commitment aims to leverage the company's role as a major buyer of crops to help create more sustainable, traceable agricultural supply chains that protect high carbon stock forests, important natural ecosystems and peatlands, as well as the human rights of individuals along the agricultural value chain. Action plans, traceability scores, and progress reports are published regularly on our Sustainability Progress Tracker

ADM collaborates with farmers, key accounts and other stakeholders to offer a wide range of sustainable sourcing solutions, through supply chain partnerships and certifications. In addition, ADM participates in different initiatives to promote the transformation of the industry, including :

- Soft Commodity Forum within the World Business Council for Sustainable Development



- Round Table of Responsible Soy (RTRS)
- Green Commodities Program from United Nations Development Program in Paraguay and Brazil
- Signatory of the Amazon SOY Moratorium
- Member of the Cerrado Working Group
- Member of the Matopiba Coalition (a GEF/UNDP initiative for Good Growth partnership).
- ISCC Association
- ProTerra Foundation
- Signatory of the ITC's Trade for Sustainable Development Principles.
- United Nations Sustainable Development Goals.

For further information: <https://www.adm.com/sustainability>

## OPERATIONS RELATED TO SOY

What is your organization's annual soy footprint?

Please state direct use and indirect, in tonnes

→The Oilseeds Processing segment includes global activities related to the origination, merchandising, crushing, and further processing of oilseeds such as soybeans and soft seeds (cottonseed, sunflower seed, canola, rapeseed, and flaxseed) into vegetable oils and protein meals. ADM does not disclose information for a specific crop. Information about volume of processed oilseeds will be published in the 2019 Annual Report in March 2020. Link for the report: <https://www.adm.com/investors/shareholder-reports>

Do you have a system for calculating your (direct and indirect) production, purchase, trade or use of soybeans or derivatives?

→Yes

What is the total volume of your (direct) soy use (beans, meal, oil, hulls, lecithin, derivatives).

Please specify per category and specify the scope, where relevant (national/international, own brands/all brands, etc)

→ADM is not a final user of soy. ADM process soybean to transform in meal, oil. Pellets, lecithin and derivatives.

What is the total volume of your (indirect or embedded) soy use (beans, meal, oil, hulls, derivatives, e.g. in feed for animal products)

Please specify per category

→ADM is not a final user of soy. ADM process soybean to transform in meal, oil. Pellets, lecithin and derivatives.

Other relevant information on this topic

→ADM disclose information about its soy footprint in South America on the [Sustainability Tracker](#)

## OPERATIONS RELATED TO RTRS SOY<sup>1</sup>

	Segregated	Mass Balance	Credits
RTRS Certified Soy Purchased/used in 2019		338,674	11,133

Did you purchase this yourself directly or did your supplier do this? If your supplier did so, how did you specify and verify this?

→ ADM purchased credits directly from farmers

<sup>1</sup> Where 'soy' is mentioned this refers to all products (beans, oil, meal, hulls, lecithin, derivatives, etc.) and both direct and indirect use.



What type of products do you use RTRS soy for?

(Specify supply chain options), direct and indirect.

→ Soybean and soybean meal

Did your organization make any public claims related to the production, trade and purchase of RTRS soy?

Please provide link.

→ Yes, we mention our membership in our public reports and website. Link: <https://www.adm.com/adm-worldwide/brazil/sustainability/round-table-on-responsible-soy>

Other relevant information on this topic

→ Additional information about our soy program are available at <https://www.adm.com/sustainability>

## TIME BOUND PLAN FOR RESPONSIBLE SOY

What date did your organization start, or does it plan to start using or supporting RTRS soy via purchases?

(including all supply chain options)

→ ADM is member of RTRS since November 2007 and makes a public commitment to the requirements of the RTRS standard for responsible soy production. Furthermore ADM recently started to become active in the RTRS Trading Platform offering customers from the food and feed industry to procure credits on their behalf.

Does your organization expect to use 100% RTRS soy?

If so, by when?

→ ADM work with stakeholders along our supply chain – including farmers, customers, and NGOs – to implement our policies and identify sustainable sourcing options. ADM can offer customers certified ingredients such as RTRS and others, according to customer’s demand.

What milestones has your organization defined for its responsible soy use?

Please state annual targets/strategies, including its 2020 target if applicable.

→ Promoting sustainable agriculture is an important part of our agenda. We work with farmers and customers to encourage adoptions of sustainability standards across the value chain. During the past year, we have witnessed an increase of uptake of certified sustainable products and we expect that this trend will continue in 2020.

Please quantify your commitment or estimated purchase/use of Certified Responsible Soy in the table below

(tonnes)	2018			2019			2020		
	Segregated	Mass Balance	Credits	Segregated	Mass Balance	Credits	Segregated	Mass Balance	Credits
Direct use									
Indirect use			22,924		338,674	11,133		217,000	17,800
TOTAL			22,924		338,674	11,133		217,000	17,800

Other relevant information on this topic

→ The information for 2020 reflects the current uptake of certified products. This might change during the year.

## MEMBERSHIP & PROMOTION

How did your organization provide information about its RTRS membership to internal and/or external audiences?

→ ADM advocates for RTRS soy via its membership and in discussion with key customers.

How did your organization support or promote RTRS?

E.g. what internal and external activities were organized?



→ADM participates at the Annual RTRS General Assembly and Roundtable Conferences. ADM supported the development of national RTRS interpretations.

Did the organization proactively encourage other companies (supplier, customer, and colleague) to support or become members of the RTRS?

If so, please specify.

→Yes. ADM encourage customers to become RTRS members.

Other relevant information on this topic

→ Additional information about our soy program are available at <https://www.adm.com/sustainability>

## OTHER SUPPORT ACTIVITIES

Did your organization provide support towards RTRS certification for producers, such as training, in producing countries?

If so, please specify.

→ One of ADM do Brasil's main initiatives for the development of a sustainable supply chain in soy production is the Doing it Right Program. It aims to encourage Brazilian soybean producers to adopt sustainable farming practices, reducing the impact on the environment and ensuring good working conditions for farm workers. Another feature of the program is to prepare and identify ADM's soybean suppliers for international markets with regard to sustainability criteria. This initiative has taken place since 2009 and has already assisted producers in the following states: Mato Grosso, Mato Grosso do Sul, Bahia, Minas Gerais, Tocantins and Pará.

Phases of the program:

- Identify the profile of ADM suppliers considering social, environmental and legal concerns.
- To quantify the current situation of ADM suppliers in relation to social, environmental and legal aspects.
- Assist ADM suppliers to improve their sustainable farming practices and bring them into compliance with legal requirements.

One of the most recent results of the Doing it Right Program was the conclusion of the RTRS certification of a group of producers under management of ADM do Brasil in the state of Minas Gerais. The certified farms are located in the region near the ADM plant in Uberlândia-MG. The producers were already participants in the ADM Responsible Soy program and became eligible for further certification of international recognition.

Did your organization raise/contribute funds in order to support capacity building and other activities? If so, please specify which organization were supported, the nature of the activities and the amount of funds that were contributed

→ ADM implements several programs to support growers regarding sustainability production. In Brazil, ADM have been working with NGO Alianca da Terra with the program "Doing it Right" and program "Soja Plus" from ABIOVE and Aprosoja. In Paraguay, ADM implemented with NGO Solidaridad and IDH a project "Sustentagro" to build capacity for sustainable production with a landscape approach. In addition, ADM is cofounder of UNDP's Green Commodities Project in Paraguay.

Did your organization participate in RTRS working groups or courses?

If so, please specify.

→ Yes. ADM participated on the development of national RTRS interpretations in Brazil and Paraguay.

Other relevant information on this topic

→ ADM supports RTRS certification, however to meet customer requests and market conditions, we also participate in other systems relevant to different geographies. ADM originate soybeans under ADMs Responsible Soybean Standard that have met the requirements of the European Feed Industry (FEFAC). In 2017, ADM also originated sustainable soy under following standards: ISCC, ProTerra, 2BSvs, US SSAP and FTM.

## OTHER COMMENTS

→ <https://www.adm.com/sustainability>



# MEMBER ANNUAL PROGRESS REPORT 2019



Industry, Trade and  
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