Transforming the way we do business for a brighter future

2017 CORPORATE SUSTAINABILITY REPORT



ADM

Table of contents

Letter from the Chairman and CEO	1
Overview	2
About ADM	2
Sustainability Governance	3
Commitments and Policies	3
Awards and Memberships	4
Materiality Assessment	5
SDG Mapping	7

Mitigating climate change	8
Energy Reduction	9
GHG Emissions Reduction	10
Transformation Spotlight – CCS	11

Protecting natural resources	13
Environmental Tracking/Management	13
Water Usage Reduction	14
Waste to Landfill Reduction	15
No-Deforestation, No-Peat, No-Exploitation	16
Palm	17
Soy	18
Transformation Spotlight – Paraguay	19

Creating business alliances	21
Supply Chain Management	21
Technology and Innovation	23
Caustic Recovery System	23
Mayo Clinic Partnership	24
Waste Reduction through Value Added Co-Products	24
Transformation Spotlight – Bolivian Quinoa	26

Enhancing employee and community well-being	28
Employee Safety	29
Food Safety and Quality	30
Human Rights	31
ADM Cares	33
Transformation Spotlight – Sabah, Malaysia	34

Appendix	37
Third Party Verification	37
GRI Content Index	40

Letter from the Chairman and CEO

DEAR STAKEHOLDERS:

Over the last five years, ADM has undergone the most dramatic transformation of its portfolio in the company's 115-year history. We have moved closer to end customers, adding a vast portfolio of new products in the food and beverage industries; new services, like our destination marketing, logistics and stevedoring operations; new growth in regions of fast-growing consumer demand, including Europe, North Africa, the Middle East and Asia; and new innovations, like our growing bioactives business and our new enzyme lab in California.

Earlier this year, we reorganized our company to better reflect these new capabilities, and to further accelerate our growth and our efforts to deliver value-added, differentiated products and services and drive growth across our entire portfolio.

Our commitment to change and growth goes beyond our products and services. At ADM, sustainable practices and a focus on environmental responsibility aren't separate from our primary business: they are integral to the work we do every day to serve customers and create value for shareholders. And so as our business grows and evolves, so has our commitment to sustainability. That is why we have set ambitious sustainability goals for ourselves—and why our colleagues around the globe are achieving, and in many cases, exceeding them.

We continue to excel in meeting the 15x20 operational goals we first unveiled in 2011. Our team has also made significant progress in implementing our No-Deforestation and Human Rights policies. And we are continuing to focus on our own actions, and particularly the safety and well-being of our 31,000 colleagues around the globe.

In order to help us reach our goals, we are engaging with our customers and working with organizations who can help us and our industry continue to improve sustainable practices. And we remain committed to the UN Global Compact and its Ten Principles in human rights, labor, environment and anticorruption.

I'm proud that we are being recognized for our efforts, including by being named

an Industry Mover in the RobecoSAM Sustainability Yearbook 2018. But more than external recognition, I am proud of the commitment our team has shown to these important principles year after year, and of the tremendous progress we have made and are continuing to make.

As always, we welcome input from any stakeholder who, like us, wishes for our company and our industry to continue its sustainability journey. Please send any comments or suggestions to <u>sustainability@adm.com</u>.



JUAN LUCIANO.

Juan R. Luciano Chairman and CEO

Overview

About ADM

For more than a century, the people of Archer Daniels Midland Company (ADM) have transformed crops into products that serve the vital needs of a growing world. Today, we're one of the world's largest agricultural processors and food ingredient providers, with approximately 31,000 employees serving customers in more than 170 countries. With a global value chain that includes approximately 500 crop procurement locations, 270 ingredient manufacturing facilities, 44 innovation centers and the world's premier crop transportation network, we connect the harvest to the home, making products for food, animal feed, industrial and energy uses.

To enhance the efficiency of transporting large quantities of raw materials and finished products between the company's procurement facilities and processing plants, and also the final delivery of products to its customers around the world, the company owns approximately **1,800 barges, 12,300 rail cars, 290 trucks, 1,300 trailers, 100 boats,** and **10 oceangoing vessels**; and leases approximately **510 barges, 16,000 rail cars, 270 trucks, 130 trailers, 10 boats, and 15 oceangoing vessels**.





Headquartered in Chicago, Illinois, ADM connects crops to markets on six continents. Net sales for 2017 were \$60.8 billion.

To learn more about our company, please visit <u>www.adm.com</u>.

Sustainability Governance

ADM's sustainability efforts are led by our Chief Sustainability Officer (CSO). The CSO is supported by a Sustainability Council made up of senior management and company officers representing our strategy, law, human resources, technology, and operations teams. Regular reports on implementation efforts and progress are given to the Board of Directors. In addition to our corporate group, we have regional teams supporting sustainability initiatives and implementation on the ground.



Commitments and Policies

ADM has set forth several key social and environmental corporate policies. Collectively, these commitments outline our expectations for our colleagues, business partners and contractors, and our organization as a whole. They establish clear standards that govern our approach to raw material sourcing, environmental stewardship and employee conduct, among other areas, and they state our positions on issues of widespread public interest. These standards were developed with input from our operations, law, compliance, environmental, and health and safety teams, and were approved by Chairman and CEO Juan Luciano.

- <u>Code of Conduct</u>
- Environmental Policy
- Human Rights Policy
- <u>Commitment to No-Deforestation</u>
- <u>Statement on Genetically Modified Organisms</u>
- Statement on Animal Testing
- <u>Commitment to Ethical Conduct and Anti-Corruption Compliance</u>

Key External Commitments

- Signatory of the UN Global Compact
- Signatory of ITC's Trade for Sustainable Development Principles

Awards and Memberships

ADM is a member of more than 200 business/trade associations and sustainability initiatives, including:

- ABIOVE Brazilian Association of Vegetable Oil Industries
- ABRAPALMA Brazilian Palm Association
- American Soybean Association
- ANEC National Association of Cereal Exporters, Brazil
- Canadian Renewable Fuels Association
- CAPRO Paraguayan Chamber of Goods and Services
- CEO Action for Diversity & Inclusion
- Corn Refiners Association
- European Biodiesel Board
- FEDIOL The European Union Oil and Proteinmeal Industry Association
- Food Supplements Europe
- The Forest Trust
- International Sustainability and Carbon Certification (ISCC)
- National Biodiesel Board
- National Oilseed Processors Association
- The ProTerra Foundation
- Roundtable on Responsible Soy (RTRS)
- Roundtable on Sustainable Palm Oil (RSPO)
- Suppliers Ethical Data Exchange (SEDEX)

For an extended list of organizations of which ADM is a member, please click <u>here</u>.

"I congratulate Archer Daniels Midland Company whole heartedly for being recognized as Industry Mover in The Sustainability Yearbook 2018. The companies included in the Yearbook are the world's most sustainable companies in their industry and are moving the ESG needle in ways that will help us realize the UN's Sustainable Development Goals by 2030."



- Named one of the world's most admired food companies by Fortune magazine
- Named Best Diversity Company by Diversity/ Careers Magazine
- Received Circle of Excellence Award from the Chicago Minority Enterprise Development
- Designated a Military Friendly Employer by Victory Media and GI Jobs

Materiality Assessment

In 2016, ADM engaged Deloitte Advisory to undertake a formal materiality assessment to help inform our Corporate Sustainability Report. We asked Deloitte to apply its knowledge of the Global Reporting Initiative (GRI) methodology and our industry to select stakeholders for engagement. Deloitte narrowed the field of potential topics to a specific set that could be rated and ranked by stakeholders. The process did not limit materiality to a select number of topics; rather, all topics that scored a certain rating were marked as material.

Working with ADM, Deloitte selected and surveyed a variety of internal and external stakeholders and conducted secondary research that included a review of documents published by a variety of parties. To select the list of stakeholders to include in the materiality assessment, ADM and Deloitte applied GRI's stakeholder selection criteria of responsibility, influence, proximity, dependency, and representation. The following stakeholder groups were included as part of the assessment:

- ADM leadership interviews
- Investors interviews
- Analysts secondary research
- Customers interviews and secondary research
- Employees survey
- Trade associations interviews and secondary research
- Regulators secondary research
- Civil society/Non-governmental Organizations (NGOs) interviews

The process revealed that several key topics were consistent across all stakeholder groups, with deforestation, human rights, and environmental criteria among the primary concerns raised.



In order to define materiality, topics were then further ranked and prioritized based on current management programs; potential risks; and economic, environmental, and social impacts.



Ongoing engagement via customer feedback, NGO inquiries, and the efforts of our investor relations team have provided continuing feedback that helps direct our programs. In 2017, soil health and water quality were identified as emerging topics for our industry. To ensure proper long-term focus, the materiality assessment will be updated in 2019.



The United Nations Development Programme created the Sustainable Development Goals (SDGs) as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. The 17 SDGs provide clear guidelines and targets for countries and governments, although industry still has a vital role to help achieve these goals. At ADM, we have undertaken a mapping exercise to determine which SDGs align with our business objectives and in turn allow us to make the greatest contribution toward achievement. We then organized the material topics and SDGs into four key pillars that drive our sustainability program.



Mitigating climate change

Impacts such as reduced supply of agricultural commodities due to weather-related factors could adversely affect our ability to procure, transport, store, process, and trade agricultural commodities in an efficient manner. The early achievement of our GHG emissions and energy intensity goals in 2017 demonstrates the seriousness of our commitment.

We address climate change through three main pathways: renewable product and process innovations, such as our carbon sequestration project; supply chain commitments, such as our No-Deforestation policy; and through our strategic approach to operational excellence which emphasizes enhancing the efficiency of our production plants, standardizing best practices throughout our global operations and promoting effective collaboration across business units and functions. ADM utilizes a centralized energy management team that enables us to identify and share successful programs and practices from projects at one site across business or geographic regions.



Energy Reduction

Through energy "treasure hunts" and efficiency projects, we have identified and implemented hundreds of energy-saving projects at our facilities. These projects - ranging from pump and fan operations to exhaust heat recovery, process controls optimization and improved data-management - have resulted in reduced electricity purchases and onsite fuel usage, enabling us to achieve significant improvement in energy-intensity since 2010.

As we are currently ahead of our goal of a 15 percent reduction in energy per unit of production by 2020, our focus going forward will be on sustaining and building upon the progress we already have achieved.

Energy

Reducing Usage on a Per-Unit-of-Production Basis

Targeted reductions ADM seeks to achieve by 2020 from 2010 baseline levels. TARGET 15%

ACHIEVED 28%

ENERGY INTENSITY REDUCTION







Greenhouse Gas (GHG) Emissions Reduction

Emissions from ADM processing operations are primarily a function of energy use and the types of fuel we use to power our operations. As we continue implementing energy efficiency projects in our pipeline, we are reducing our GHG emissions. Through the use of technology and innovation, ADM also strives to reduce emissions and develop and market lower-carbon fuels, renewable fuels, and renewable chemicals. Thanks to a companywide focus on energy efficiency combined with carbon capture and sequestration at our Decatur, Illinois, facility, we have succeeded in reducing GHG emissions intensity by 16 percent compared to the 2010 baseline.

The implementation of additional energy efficiency projects already in our pipeline are **expected to further reduce intensity**.

Emissions

Reducing Output on a Per-Unit-of-Production Basis

Targeted reductions ADM seeks to achieve by 2020.

TARGET 15% ACHIEVED 16%





 Transformation Spotlight:

Carbon Capture and Storage (CCS)

Advanced carbon capture and storage (CCS) technologies offer significant potential for reducing carbon dioxide emissions, while minimizing the economic impacts of the solution. Under the Industrial Carbon Capture and Storage (ICCS) Program, the U.S. Department of Energy (DOE) has collaborated with industry partners in cost-sharing arrangements to demonstrate technologies that will capture carbon dioxide emissions from industrial sources and either store or beneficially re-use them. Working with a project team including representatives from industry, government and academia, ADM was selected to conduct one of three projects in the DOE ICCS program to test large-scale industrial CCS technologies. The objective of ADM's project is to develop and demonstrate an integrated system of collecting and compressing carbon dioxide derived from an ethanol plant and injecting it into the Mt. Simon Sandstone formation – a prolific saline reservoir in the Illinois Basin with the capacity to store billions of tons of carbon dioxide – for permanent geologic storage. Under the guidance of the Illinois ICCS, the effort represents the largest saline storage demonstration project in the United States.

The project offers significant potential for reducing carbon dioxide emissions to the atmosphere by storing approximately one million tons of carbon dioxide a year and leveraging the U.S. geologic saline storage capacity, which is estimated to range from 1,700 to 20,000 billion metric tons. In addition, the project has a variety of economic benefits, including a potential market for the technology among the approximately 200 fuel-grade ethanol plants in the U.S. that may be interested in access to geologic storage. The project demonstrates that the technologies included in the ICCS program have progressed beyond the research and development stage to a scale that can be deployed into commercial practice within the industry.

The commercial-scale sequestration well began operation in April of 2017. During the course of the year, we successfully injected and sequestered just over 507,000 metric tons of carbon dioxide. This is equivalent to the emissions from 108,500 passenger vehicles in a year.



The project also includes a 15,000-square-foot educational facility located at Richland Community College, just north of the injection well. The National Sequestration Education Center (NSEC) is a national focal point for carbon capture, utilization, and storage (CCUS) community outreach and academic programming. The NSEC features traditional artifact displays; a leading-edge, stateof-the-art Sequestration Technology Education Learning Array (STELA), which is an interactive presentation to learn about CCUS technologies; and a sustainability nature walk. The facility engages with the community to provide CCUS education and outreach to primary school classes, higher education classes, scientists and community members.

RAW MATERIALS

Protecting natural resources





Being a good steward of the environment is part of ADM's value of respect. ADM uses natural resources—including electricity, water, fuel and raw materials — in manufacturing, storage and distribution. We also generate waste and have chemical storage onsite at many of our facilities, with the potential to impact land, water and air. As a company, we are committed to meeting our environmental obligations, while pursuing ways to continually improve our efforts in both protecting the environment and enhancing environmental sustainability.

Environmental Tracking/Management

ADM's Environmental Management System (EMS) and supporting information platform (GEMINI) continue to mature and are nearing full global deployment. EMS and GEMINI standardize environmental business processes and provide a common platform to ensure the quality and integrity of our environmental data.

At the end of 2017, the implementation of ADM's EMS was nearly complete in North and South America. Significant progress was made in our European Oilseeds and Origination operations, and we expect these will be substantially complete in 2018. EMS planning for the WILD Flavors operations in Europe, India, and Asia began in 2017 and implementation will launch with initial training in 2018. In addition, we launched EMS implementation projects at Origination, Carbohydrate Solutions and Nutrition facilities that were recently acquired by ADM.

The GEMINI Compliance and Task Manager modules, deployed globally in 2013, continue to deliver a complete picture of ADM's environmental obligations and provide the tools to ensure enhanced compliance today and beyond. The use of these modules continues to grow beyond the original deployment as the benefits are realized by our operating businesses. The amount of populated data and tool use have grown by more than 25 percent since 2013. The final phase of GEMINI, which includes the implementation of modules for Air, Water, Waste and Chemical Inventory, will standardize and streamline environmental data collection, calculations, reporting and tracking. As of January 2018, over 350 facilities are using these modules.

As we pursue growth opportunities and acquire new facilities globally, EMS and GEMINI will continue to be an essential part of our approach to business transformation and global process standardization.

12 10 U - B 10

18 8 8 B

Water Usage Reduction

One of the ways ADM is reducing our impact on the environment is by reducing water usage in our direct operations, an effort that also allows us to achieve significant cost savings. Water reduction efforts are focused on our 37 largest sites, which collectively account for more than 90 percent of our global water usage.

In 2017, ADM's teams continued to demonstrate our commitment to innovation and efficiency by making progress on a variety of water conservation initiatives, including:

- A high-efficiency system that removes nitrates from municipal water without using chemicals.
- A process at our Chattanooga Southern Cellulose facility that removes suspended solids from process water, eliminating the need for water treatment chemicals and reducing consumption of municipal water.

These efforts demonstrate how **ADM was able to surpass its water intensity improvement target ahead of our 2018 goal.** Going forward, we will continue implementing efficiency projects worldwide with a goal of achieving further improvements.

Water

Reducing Usage on a Per-Unit-of-Production Basis

Targeted reductions ADM seeks to achieve by 2018 from 2008 baseline levels.

ARGET 15% ACHIEVED 17%

WATER INTENSITY REDUCTION



Waste to Landfill Reduction

ADM set a target of reducing waste to landfills to a rate of less than 15 percent by 2020. Throughout 2017, a global data collection and tracking effort allowed us to calculate our 12-month waste-to-landfill rate. Through global efforts to increase recycling and beneficial reuse, such as sending organic waste to be used as fuel or fertilizer, we have reached a waste-to-landfill rate of 15.7 percent. In addition, ADM has 24 facilities that have achieved zero waste-to-landfill.

15.7% WASTE TO LANDFILLS

No Deforestation, No Peat, No Exploitation

ADM procures agricultural commodities around the world, including from regions that are at a particular risk for deforestation and human rights violations. 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.

The clearing of forested, High Carbon Stock (HCS) and High Conservation Value (HCV) areas for planting threatens biodiversity, soil health, and vital carbon sinks as well as indigenous communities who rely on those areas for their livelihood. To address these risks, ADM has established a No-Deforestation Policy. ADM partnered with The Forest Trust (TFT) to implement the policy, which aims to leverage ADM'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 <u>Sustainability Progress Tracker</u>.



Palm

Traceability – In 2017, ADM surpassed our milestone of achieving 95 percent traceability to the mill with scores of 98 percent for palm oil and 97 percent for palm kernel oil.

Supplier Engagement and Transformation – ADM continues to use the Engagement for Policy Implementation (EPI) tool as a basis for supplier engagement and the supply chain transformation process. After receiving completed EPI questionnaires from direct suppliers, ADM met with them in order to better understand their sustainability work, potential gaps, and opportunities for transformation.

ADM continued transformation planning on our palm plantation in Pará, Brazil, in 2017. Based on stakeholder interviews, we have assigned high priority to identifying financing options for farmers and educating them on the process for weighing and pricing fruit bunches.



In Malaysia, ADM works with Rurality – a TFT initiative – to support smallholder livelihood projects. ADM recognizes that diversification of smallholder income will help stabilize smallholder businesses, and therefore stabilize future palm oil supply to ADM. ns col,

Monitoring and Verification – ADM maintains a <u>Grievances and Resolutions (G&R) Protocol</u>,

which enables any stakeholder to raise a grievance against ADM or any party in ADM's supply chain, and creates a direct forum for stakeholder dialogue. Any concerns can be sent to responsibility@adm.com. If ADM receives input through the G&R Protocol, we promptly notify the appropriate stakeholders and provide a fair and objective evaluation in a timely manner. Relevant issues and grievances are logged in the <u>Grievances and Resolutions Summary</u> <u>Table</u> on the <u>Sustainability Progress Tracker</u>, and regular progress updates are provided.

In addition to our G&R log, which relies mostly on external inputs, ADM also conducts monitoring and verification of No-Deforestation policy implementation through supplier self-reporting via the EPI tool, and maintains open dialogue with our primary suppliers. ADM also is evaluating the use of further monitoring and verification measures for future implementation, including remote sensing tools and on-theground civil society monitoring mechanisms.

Soy

Traceability – ADM considers detailed analysis in Brazil and Paraguay to be important, given that certain areas within the Brazilian Cerrado and the Paraguay Atlantic Forest are identified as high-risk biomes. These areas were selected as the initial focus geographies for implementation of the soy aspect of our Commitment to No-Deforestation. In 2017, We achieved traceability to the municipality of origin for our direct purchases of 100 percent for Paraguay and 99 percent for Brazil.

ADM's sustainability journey encompasses many goals, including farmer-level traceability in the soybean supply chain. While in 2016 we worked on traceability of our supply chain up to the state level, 2017 marked the first time we went further and included data on municipality/district traceability for direct purchases in Brazil and



Paraguay. In order to analyze land-use trends, we also started collecting Geographical Information Systems (GIS) coordinates at the farm level in certain designated municipalities with high rates of conversion of native vegetation to soy. Our goal is to increase this farm-traceability database in order to ensure our supply chain meets our standards.

Supplier Engagement and Transformation – ADM is a member of the The Soft Commodities Forum (SCF) of the World Business Council for Sustainable Development (WBCSD), which was established in 2017 as a global, pre-competitive platform for leading soft commodities companies. The purpose of the SCF is to advance collective action around common sustainability challenges. The SCF is transparent and members work jointly to develop ideas and solutions focused on sustainable business practices. The Forum seeks to foster dialogue and consensus among a variety of stakeholders including industry, customers, investors, and civil society.

Monitoring and Verification – In 2017, ADM worked with third-party satellite imagery companies to conduct pilots designed to monitor land-use change and soy expansion in the Cerrado biome in Matopiba and other selected areas of the Atlantic Forest biome in Paraguay.

To support monitoring and verification, ADM maintains a <u>Grievances</u> and <u>Resolutions (G&R) Protocol</u>, see page 17. **Transformation Spotlight:**

Connecting Forests in Paraguay

El Bosque Atlántico del Alto Paraná (BAAPA) is an ecoregion in the Atlantic Forest of Paraguay with high biological diversity and economic value worldwide. Thousands of family farmers – large and small scale – live and work in the region. As a part of our commitment to No-Deforestation, it is critical to establish strategies for the conservation of local resources. A Todo Pulmón has been developing and implementing comprehensive environmental campaigns and projects in the area to raise awareness and promote good practices for sustainable production. With financial support from ADM and others, the "Connecting Forests" project was started in 2015 with the mission of restoring forest landscape and biological corridors with an emphasis on the protection of water channels.

The project, which is based in the districts of Tava'i and Abai of the Department of Caazapá, is working to connect existing protected areas through reforestation corridors. Through enrichment of the forests, focused agroforestry systems, and reforestation efforts, the project aims to reconnect the protected forests within the Reserve for San Rafael National Park, Caazapá National Park and Tapyta Nature Reserve. Priority was given to reforestation and conservation along the waterways in the sub-basins of the Nacunday and Tebicuary rivers.

Working with 181 family producers ranging from large to small scale farms, 500 hectares have been reforested. Producers were given seedlings, training and technical support for implementation of forest systems; technical environmental monitoring of their plots; and training in environmental legislation and agroforestry. To reduce pressure on existing forests, producers were given both native and exotic species, such as yerba mate and eucalyptus. These provide additional income streams for producers with open land or those who wish to diversify their production. Of the replanted area, 350 hectares have been planted with native species, and the remaining 150 hectares have exotic species selected to improve farmer livelihood and reduce pressure on existing forest.



After planting, teams returned to the properties to monitor growth and spacing of the seedlings, the status of the plants, and the survival percentage. With the detailed information collected, it was possible to determine the amount of hectares planted and compliance with environmental commitments.

Dedicated specialists working with producers over time have enabled remarkable cooperation between public and private entities to come together to improve the outlook for the BAAPA region. The connectivity of the forest is vital to maintain its health, function and value.

Creating business alliances

Supply Chain Management

ADM connects the harvest to the home, making products for food, animal feed, chemical and energy uses. With few exceptions, we do not grow crops; we instead buy them from growers or third parties that market crops from many different growers. We do, however, occupy a prominent position in the agricultural value chain that extends from the farm gate to the consumer's plate, which is why we work closely with industry peers, trade associations, growers, governments, NGOs and operating communities to improve the quality and availability of crops in the global supply chain, and the lives of farmers and communities that grow these crops. Our customers trust us to provide quality ingredients that have been ethically sourced.

ADM recognizes that healthy supplier relationships are critical to our success and strives to promote mutually beneficial business relationships based on the highest standards of ethical conduct. We choose our suppliers carefully to ensure they share our commitment to integrity. ADM's suppliers are expected to do business fairly, ethically, and in compliance with all applicable laws and regulations at all times. Additionally, suppliers are expected to understand and abide by the principles described in our Supplier Expectations statement, which can be found <u>here</u>.



We work with stakeholders along our supply chain – including farmers, customers, and NGOs – to implement our policies and identify sustainable sourcing options. We can offer customers specialized, certified ingredients such as:

- Non-Genetically Modified Organisms (GMO)/Identity Preserved: Leveraging our vertical integration, we have developed systems that track and preserve crop identity, providing traceability from seed to factory to finished product for customers interested in non-GMO ingredients.
- Organic: ADM offers an ever-expanding portfolio of organic ingredients including ancient grains, dried fruits, beans, pulses, flavors, emulsifiers, proteins, oils, tree nuts, peanuts, seeds and nutritional ingredients. ADM is able to meet standards in compliance with USDA or European organic certification systems.
- Europe: ISCC PLUS A certification system focusing on tracking greenhouse gas emissions along the value chain and ensuring sustainable and deforestation-free agricultural practices. ISCC PLUS is a multi-feedstock system and can serve food, feed, and fuel markets.

- United Kingdom: Linking Environment & Farming (LEAF) Marque A global organization that promotes sustainable agricultural practices at the farm level. Through the use of integrated farm management tools, LEAF farmers continuously ensure considerable improvement in their environmental and business performance.
- Danube Region, Europe: ProTerra A certification program that assures both Non-GMO quality and sustainable agricultural production. The standard is soy-oriented and based on the Basel Criteria for Responsible Soy Production.
- United States: Field to Market ADM works with growers to document acres and track inputs such as water and fertilizer, and resulting crop yields, enabling farmers to benchmark sustainability performance and improve over time.
- **Brazil:** ADM Responsible Soybean Standard A certification program with the main objective of promoting environmentally and socially responsible soy production that meets the benchmark set by the European Feed Manufacturers' Federation (FEFAC).



Technology and Innovation

With more than 700 scientists and engineers around the world engaged in efforts ranging from process research to chemistry and biotechnology, animal nutrition, and food and beverage applications, At 44 innovation centers worldwide, our teams innovate to improve the efficiency and environmental profile of our operations and develop new products that meet customers' evolving needs. ADM regularly enters into strategic relationships with partners throughout the value chain, including technology providers, customers and institutions of higher learning. By combining our expertise and the breadth of our operations with strengths of our partners, we are able to efficiently turn market needs into realities.

Caustic Recovery System: ADM's research team is working with a filtration technology at our Decatur Bioproducts facility to save water and reduce waste disposal and chemical usage. To avoid contamination, fermentation vessels are cleaned regularly with a caustic, sodium hydroxide solution. Through rigorous testing, the team found an innovative filtering technology which would allow them to recover and reuse nearly 85 percent of the cleaning solution, which equates to an annual reduction of over 22 million pounds of sodium hydroxide and an annual savings of over \$2.8 million. The team is currently working on phase 2, which will recover the cleaning solution from additional equipment to further reduce chemical use.





Mayo Clinic Partnership: In September 2017, ADM entered a cutting-edge collaboration with Mayo Clinic to study the association of body weight with specific probiotics, prebiotics, and other nutrients. The aim is to investigate microbial solutions to improve health and wellness, initially focusing on the maintenance of healthy body weight.

There is an increasing body of scientific evidence suggesting that the foods we eat largely influence the species composition and diversity of our gut microbiome, which in turn effects the likelihood of obesity. In the initial phase of the collaboration, ADM and Mayo Clinic are working to design a computational method that will predict the growth of gut microbes linked to body-fat reduction. Mayo Clinic will provide data analysis, modeling and gut microbiome expertise, while ADM will bring expertise in food ingredients, strain development and genomics, as well as commercialization capabilities.

Waste Reduction through Value Added Co-Products: ADM continually searches for ways to turn waste into value-added products. Today, a kernel of corn or a soybean entering one of our facilities could end up part of any number of useful products. Corn is broken down into germ, fiber, starch, and protein and then turned into a wide range of products such as animal feed, corn starch, corn syrup, ethanol, lactic acid, and propylene glycol, to name a few. Similarly, soybeans are broken down into meal and oil, which are further processed and refined to produce animal feed, soy protein, lecithin, vegetable oil, soapstock, and Vitamin E.

We have honed our skills in this area to achieve an average usage rate of 99 percent of each kernel or soybean processed at our facilities. (See page 25). At many of our sites, the remaining 1 percent is processed in our onsite wastewater treatment facilities that recycle water, capture methane for use as a fuel, and produce a solid material that can used by farmers as a fertilizer.



Transformation Spotlight: Bolivian Quinoa

Supply chain transformation is most effective when multiple layers of the supply chain work together. We have seen this first-hand as we have provided financial and other support to improve the lives of quinoa farmers in Bolivia. Together with our partner, Andean Naturals, and our customer, Kashi, we have been working to promote sustainable quinoa and improve the welfare of the farmers and their families by empowering women farmers, improving access to education, and increasing quinoa productivity.



Working alongside the Bolivian organization Impacto Positivo en la Comunidad, Jacha Inti Industrial S.A. (JISA) works with 700 family farmers investing in environmental programs, such as guidance in organic fertilization, irrigation and other techniques to improve soil health and crop yield; social programs, such as developing strong governance structures and achieving Fair Trade certification; and financial programs, such as teaching basic accounting and administrative practices and providing access to credit in the form of rotating loan funds.

Supply chain partner Kashi has been working with farmers through their "Lights On" project, which aims to bring electricity to farmers via solar panels. The response from farmers has been overwhelming, with many saying it has enabled their children to study and complete homework after sunset.



To further improve livelihood and crop productivity, JISA has been installing irrigation wells. The wells — now in eight communities — allow farmers to double the productivity of quinoa to 1,200-1,450 kg per hectare. In addition to increased



income, the irrigation wells also protect against loss of the entire crop to drought — an extremely important safeguard for farmers whose livelihoods depend on this single crop.

The Fair Trade Foundation recently reported that women make up an average of 43 percent of the agricultural labor force in the developing world and yet have much lower productivity per hectare than men because they have less access to agricultural credit, own less land and livestock, and are rarely targeted for agronomy extension services. To address this issue, JISA is focusing on women's empowerment in the quinoa supply chain. Training workshops have been conducted focusing on educating women farmers as well as increasing acceptance of female leadership within trade associations. The group is focused on developing leadership and business skills, and over the past two years has organized learning events such as sponsoring female quinoa farmers to attend US trade shows, arranging a visit to a female-led Ecuadorian quinoa cooperative, and organizing a women's farmer summit in Bolivia.

Enhancing employee and community well-being

We hold ourselves accountable to a high set of standards, as outlined in the core values that drive the decisions of our company and our employees:

- Integrity We are honest, fair and ethical. We live our values consistently and courageously. We speak up. And we walk the talk.
- Respect We feel a deep and genuine regard for the safety and wellbeing of all people, communities and resources, and we treat them with care and consideration. We demonstrate trust and openness. We are good stewards of the environment.
- **Excellence** We expect and achieve superior results. We give and receive feedback to help us continually learn new ways to improve.
- **Resourcefulness** We use our intelligence, talent and experience to make the most of all we touch. We are efficient and flexible; we take initiative, and we seek out effective, creative solutions.
- **Teamwork** We believe the best results are achieved when we work together. We are good colleagues; we work hard, support each other, value our differences and strive for our mutual success.
- Responsibility You can count on us. We take action, are resultsoriented and hold ourselves accountable. We fulfill our commitments. We don't give up



Employee Safety

ADM is committed to providing a safe working environment for all of our employees and contractors. Protecting people and the environment is part of everything we do and every decision we make. For the last several years, we have been on a journey to zero injuries — building a safety culture so everyone will go home safely to their families and the things that are most important to them.

In the fourth quarter of 2017, we achieved our best safety record to date. This helped us close out the year with a new record-low Total Recordable Incident Rate (TRIR) of 0.649 — down nearly 10 percent from the prior year. Our Lost Workday Incident Rate (LWIR) was up for the year, to 0.184.

Overall, we had 181 facilities that celebrated seven or more years without a recordable injury, and our teams posted several impressive safety accomplishments in 2017, including:

- The Ag Services team closed the year with a record TRIR of 0.639.
 More than 85 percent of Ag Services locations had no recordable incidents, and 95.9 percent of locations had zero Lost Workday cases.
- The Oilseeds team set a business unit TRIR record of 0.555 and a LWIR of 0.145, representing 26 percent and 35 percent reductions, respectively, from 2016 levels.
- For the first year in the business unit's history, the Corn team's TRIR dropped below 1.0, to 0.933 an 11 percent reduction from 2016 rates. The team's LWIR of 0.175 was 20 percent lower than the prior year's.
- The WILD Flavors and Specialty Ingredients business unit continued to make improvements. In 2017, they reduced their TRIR by 24 percent and LWIR by 29 percent.



We all know that we have much more work to do to achieve our goal of zero incidents, zero injuries. But we also have seen that careful attention to processes and procedures, coupled with constant vigilance and an ongoing commitment to continuous improvement, means more colleagues going home safely.

Food Safety and Quality

Each day, ADM sources oilseeds, corn and wheat from the world's major growing regions and transforms them into hundreds of ingredients from flour, shortenings and proteins to cooking oils and sweeteners.

The safety and security of our world's food and feed supply chain is of utmost importance to responsible participants in that chain. ADM aims to serve vital needs for food and energy, which necessitates attending to the safety and security of our supply chain. ADM has a commitment to the safety and security of its processes and products and to compliance with regulatory requirements designed to protect the world's food supply. ADM facilities are in compliance with federal, state, local, county, tribal and/or other applicable non-federal food safety laws, including relevant laws and regulations of foreign countries.

Over the course of more than a century in business, we have become a trusted supplier to many of the world's most recognized and respected food brands, largely due to our emphasis on quality, consistency and safety. Here is an overview of the systems, expertise and experience we leverage to ensure we provide wholesome, high-quality products:

- We continually review and improve our food safety systems and procedures, including manufacturing practices for human and animal food. These efforts include the development of risk-based preventive controls or critical control points for human food based on hazard analysis, both through corporate policies and procedures, and business unit implementation and execution.
- We work to ensure food safety and quality by regularly auditing our own operations, and by carefully monitoring our raw materials streams. We evaluate our facilities, processes and procedures to assess the risk of contamination, and we employ a variety of



safeguards and security concepts to reduce that risk.

- Approximately 90 percent of our human food manufacturing locations in developed and developing countries have earned thirdparty food-safety certifications, such as through the Global Food Safety Initiative (GFSI). Our vertically integrated business model ensures a high degree of visibility, control and quality assurance throughout the value chain.
- We maintain rigorous Hazard Analysis Critical Control Point (HACCP) systems at our food and feed processing plants, and our U.S.based locations have implemented Hazard Analysis and Risk-based Preventive Controls (HARPC) as legislated through the Food Safety Modernization Act (FSMA). These systems have been designed to identify, and safeguard against, potential risks at every stage of the facility's operations.
- In 2017, ADM had zero incidents resulting in fines or penalties from non-compliance with food regulations or from voluntary codes related to the health and safety impacts of products or services.

Human Rights

ADM procures agricultural commodities around the world, including from regions that are at a particular risk for deforestation and human rights violations. Our policies and commitments apply to our entire supply chain, with implementation activities focusing first on high-risk geographies. Using the United Nations Human Development Index (HDI), we have prioritized countries within our global reach that are at a higher risk for human rights abuses.

Agricultural production, particularly in countries with lower HDI values, has a higher risk of using slave and child labor, not paying living wages, having unsafe working conditions and violating additional rights. These practices threaten the development and livelihood of local communities. To address these risks, ADM has established a Human Rights Policy. We require all colleagues and suppliers to comply with this policy.

We believe that although governments have the primary duty to protect and ensure fulfillment of human rights, ADM plays a role in protecting human rights and can act as a force for change in the communities in which we operate.

Supplier Engagement and Transformation

 Assessments – ADM is a member of Sedex and hosts responsible sourcing audits conducted by third-party auditors at our facilities across the globe. The human rights portion of these audits include assessment of facility conditions, child labor, forced/bonded labor, eligibility for employment, ethical recruitment, safety, discrimination, harassment and abuse, compensation, freedom of association and collective bargaining, and indigenous populations and communities.



At the ADM facilities visited in 2017, there were no fees charged to job-seekers in exchange for employment and no collateral was taken in the form of money, identification or other personal belongings (without workers' consent) as a condition of employment by ADM or contracted companies. Additionally, no human trafficking was observed.

• **Training** – As part of our implementation plan, employees are trained upon completion of onsite assessments. Our employees are in a position to be able to identify concerns due to frequent interaction and proximity with suppliers, so our training program covers warning signs of human trafficking and human rights violations, as well as what to do if concerns are identified.

Enhancing employee and community well-being

• Social Issues in Sourcing Regions – ADM renewed its commitment against slave labor in Brazil with InPacto and the service agreement with Agrotools to monitor and ensure suppliers in Brazil are not part of the Slave Labor List issued by the Brazilian Ministry of Labor. As part of our No Deforestation collaboration, TFT developed two documents related to the No Exploitation portion of our policy. One of them is a document to raise supplier awareness of the most critical issues related to No Exploitation and Respect for Human Rights; the other is a consultation guide for country elevators sourcing soy in regions where there are social conflicts.

Monitoring and Verification

ADM believes stakeholders play an important and constructive role in the implementation of its Human Rights Policy, as they offer valuable and independent contributions to the monitoring of supply chains, as well as detection and disclosure of issues. To support monitoring and verification, ADM maintains a <u>Grievances and Resolutions (G&R)</u> <u>Protocol</u>, see page 17.



ADM Cares: Advancing Sustainable Agriculture, Increasing Food Security, Investing in Education

ADM plays a vital role in the communities in which we operate, directly impacting the economy and environment. We believe a strong community is made up of a combination of important factors – great schools, effective social services, clean air and water, vibrant parks and recreation areas, active citizen involvement, and a spirit of local pride.

ADM Cares is a corporate social investment program that aligns ADM's corporate giving with our business strategies and sustainability objectives. Through the program, ADM works to sustain and strengthen our commitment to communities where ADM colleagues work, live and operate by directing funding to initiatives and organizations that are driving meaningful social, economic and environmental progress. The ADM Cares team evaluates potential projects submitted for funding to ensure they meet eligibility criteria such as initiatives that support safe, responsible and environmentally sound agricultural practices in critical growing regions around the world.

Since the program's inception in 2009, ADM Cares has contributed \$82 million. In 2017, we refined the criteria for awards to align more closely with our business goals and objectives. As a result, ADM Cares contributions primarily focus on the following three strategic areas:

- Advancing Sustainable Agriculture
- Increasing Food Security by supporting hunger relief
- Investing in Education, with a focus on projects that advance agricultural and STEM (science, technology, engineering and math) education

\$6.6 million

Total contributions by ADM in 2017 through ADM Cares



In addition, we placed a higher emphasis on understanding the impacts of our charitable giving by closely monitoring grants that are given (inputs), how the money is spent (outputs), and what has changed in the community as a result of the project (impacts).

In addition to grants, ADM Cares offers a dollars for doers program and matching gift opportunities to colleagues as a way to highlight their personal contributions and efforts to social investing.

Transformation Spotlight: Sabah, Malaysia

More than 70 percent of ADM's palm oil supply is sourced from Wilmar ART refineries, and more than 30 percent of that comes from the region of Sabah in Malaysia. Given its importance as both a key sourcing region for ADM and an important ecosystem, ADM conducted a field visit in early 2017 to gain a greater understanding of the landscape and its challenges. The field visit concentrated on two estates from PPB Oil Palms Bhd, which are operated by Wilmar and part of the Wilmar Sabah Aggregator/Refiner Transformation (ART) plan.


PPB Oil Palms Bhd clearly demonstrated its position as one of the industry leaders in sustainable plantation management. Agricultural and environmental measures of cultivation were up to best management practices, including:

- Stringent oil palm nursery and planting/replanting procedures
- Integrated pest management using biological pest control
- Weed control and well-optimized plant nutrition
- Soil management, including chipping techniques before replanting
- Efficient harvest techniques and logistics, including a transport buffalo herd
- Consistent biodiversity management of buffer zones and riparian areas

However, during the field visit, ADM learned that the high standards at the Wilmar plantations we visited are not typical in the Sabah region. We identified child protection as a key issue in this landscape. As a first practical step to address this issue, in September 2017 ADM supported the workshop "Children in the Plantations of Sabah: Stakeholder Consultation," co-convened by TFT, Wilmar, ADM and Nestlé. The workshop offered an opportunity for suppliers to engage in dialogue on the challenges and solutions associated with this issue.

Attendees were informed of the risks related to children working in plantations and possible strategies to reduce the participation of children, including how to strengthen access to education. Concrete objectives of the workshop were:

- Re-socialise Malaysian sustainability certification requirements (MSPO) and companies' policy commitments concerning child labor;
- Seek inputs from participants as to the actual participation of children in plantation activities, and possible ways to address this; and



• Raise awareness and build capacity among the suppliers (participants) toward efforts to prevent child labor on site.

With solid engagement from both supply chain actors and industry experts, the workshop proved to be a success. Approximately 50 participants attended, including directors, managers, and executive level staff from small, medium, and large plantation and mill companies in Sabah. Information from the discussions was compiled in a summary report which acknowledges that some issues concerning children in the plantations of Sabah were found to be structural in nature, requiring regulatory and policy changes.

More information about the Children in Plantations work, including the Sabah workshop, can be found on the TFT website <u>here</u>.

Additionally, TFT's Rurality initiative – of which ADM is a financial supporter – conducted a "Rural Dynamics Diagnostic" involving approximately 60 smallholders in Sabah. The process identified several key opportunities for transformation, including diversifying smallholder income.

As a result of our visit to the region, ADM is investigating ways to support the diversification of smallholder income, which will help stabilize smallholder businesses and, ultimately, the future supply to ADM's business. The key goals of this effort include:

- Increasing incomes while reducing dependency on the palm oil industry;
- Building resilience to price volatility; and
- Enhancing food security and nutrition at the household level.

The Rurality initiative supports smallholders in developing business plans to diversify income-generating activities, and provides trainings to increase the number of farmers with livelihood activities other than oil palm.





VERIFICATION STATEMENT GREENHOUSE GAS EMISSIONS

Bureau Veritas North America, Inc. (BVNA) was engaged to conduct an independent verification of the greenhouse gas (GHG) emissions reported by Archer Daniels Midland Company for the period stated below. This Verification Statement applies to the related information included within the scope of work described below.

The determination of the GHG emissions is the sole responsibility of Archer Daniels Midland Company. BVNA's sole responsibility was to provide independent verification on the accuracy of the GHG emissions reported, and on the underlying systems and processes used to collect, analyze and review the information.

Boundaries of the reporting company GHG emissions covered by the verification:

- Operational Control
- Global Operations
- Exclusions include a small number (<10) of leased office spaces.

Emissions data verified:

- Scope 1: 14,612,000 metric tons of CO₂ equivalent
- Scope 2 (location based) : 2,859,000 metric tons of CO₂ equivalent
- Biogenic Emissions: 6,168,000 metric tons CO₂
- Emissions Sequestered: 507,000 metric tons CO₂
- Data and information supporting the Scope 1 and Scope 2 GHG emissions assertion were historical in nature.

Period covered by GHG emissions verification:

• January 1, 2017 to December 31, 2017

GHG Reporting Protocols against which verification was conducted:

 World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol

GHG Verification Protocols used to conduct the verification:

 ISO 14064-3: Greenhouse gases -- Part 3: Specification with guidance for the validation and verification of greenhouse gas assertions

Level of Assurance and Qualifications:

- Limited Assurance
- This verification used a materiality threshold of 5% for aggregate errors in sampled data for each of the above indicators.

GHG Verification Methodology:

· Interviews with relevant personnel of Archer Daniels Midland Company;

Bureau Veritas North America, Inc.

Health, Safety and Environmental Services 165 South Union Boulevard, Suite 310 Lakewood, Colorado 80228 Main : (303) 988.2585 Fax : (303) 988.2583 www.BureauVeritasHSE.com Archer Daniels Midland Company April 20, 2018



Page 2

- · Review of documentary evidence produced by Archer Daniels Midland Company;
- Review of Archer Daniels Midland Company data and information systems and methodology for collection, aggregation, analysis and review of information used to determine GHG emissions at Archer Daniels Midland Company Headquarters in Decatur, Illinois and during site visits to the Columbus, Nebraska Corn Complex, and the ADM Lincoln, Nebraska Oliseeds facility.
- · Audit of a sample of data used by Archer Daniels Midland Company to determine GHG emissions.

Assurance Opinion:

Based on the process and procedures conducted, there is no evidence that the GHG emissions assertion shown above:

- is not a fair representation of the GHG emissions data and information; and
- has not been prepared in accordance with the WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standard

It is our opinion that Archer Daniels Midland Company has established appropriate systems for the collection, aggregation and analysis of quantitative data for determination of these GHG emissions for the stated period and boundaries.

Statement of independence, impartiality and competence

The Bureau Veritas Group is an independent professional services company that specializes in Quality, Health, Safety, Social and Environmental management with over 180 years history in providing independent assurance services.

No member of the verification team has a business relationship with Archer Daniels Midland Company, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest.

The Bureau Veritas Group has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

The verification team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over 20 years combined experience in this field and an excellent understanding of The Bureau Veritas Group standard methodology for the verification of greenhouse gas emissions data.

Attestation:

John A. Rohde, Lead Verifier Senior Project Manager Bureau Veritas North America, Inc. Lakewood Colorado

April 20, 2018

Join A Barnes Lisa S Barnes Technics

Lisa S. Barnes, Technical Reviewer Practice Line Leader Bureau Veritas North America, Inc. Lakewood, Colorado

This verification statement, including the opinion expressed herein, is provided to Archer Daniels Midland Company and is solely for the benefit of Archer Daniels Midland Company in accordance with the terms of our agreement. We consent to the release of this statement by you to the CDP in order to satisfy the terms of CDP disclosure requirements but without accepting or assuming any responsibility or liability on our part to CDP or to any other party who may have access to this statement.

Page 2

BUREAU VERITAS NORTH AMERICA INDEPENDENT ASSURANCE STATEMENT



Introduction and objectives of work

Bureau Veritas North America, Inc. (BVNA) was engaged by Archer Daniel Midland Company (ADM) to conduct an independent assurance of select environmental data reported in its 2017 Environmental Report (the Report). This Assurance Statement applies to the related information included within the scope of work described below. The intended users of the assurance statement are the stakeholders of ADM. The overall aim of this process is to provide assurance to ADM's stakeholders on the accuracy, reliability and objectivity of select information included in the Report.

The reported information and its presentation in the Report are the sole responsibility of the management of ADM. BVNA was not involved in the collection of the information or the drafting of the Report.

Scope of Work

ADM requested BVNA to include in its independent review the following:

 Assurance of select environmental data and information including energy use, water use and safety metrics as summarized

Methodology

BVNA undertook the following activities:

- 1. Site visits to ADM facilities in Columbus, Nebraska and Lincoln, Nebraska;
- 2. Visit to ADM corporate offices in Decatur, Illinois;
- Interviews with relevant personnel of ADM including employees at the facility and corporate level;
- 4. Review of internal and external documentary evidence produced by ADM;
- 5. Audit of environmental performance data presented in the Report, including a detailed review of a sample of data against source data; and
- Review of ADM information systems for collection, aggregation, analysis and internal verification and review of environmental data.

Our work was conducted against Bureau Veritas' standard procedures and guidelines for external Verification of Sustainability Reports, based on current best practice in independent assurance. Bureau Veritas procedures are based on principles and methods described in the International Standard on Assurance Engagements (ISAE) 3000. A materiality threshold of ±5-percent was set for the assurance process.

The work was planned and carried out to provide verification at a limited assurance level and we believe it provides an appropriate basis for our conclusions.

Our Findings

Nothing came to our attention that the indicators shown in the attached table for ADM's Calendar Year 2017 reporting period (January 1, 2017 through December 31, 2017) are not accurate.

Our Conclusion

Based on the process and procedures conducted, there is no evidence that the data shown above:

- is not a fair representation of the energy, water and safety data and information; and
- has not been prepared in accordance with the ADM procedures.



Archer Daniels Midland Company.

It is our opinion that ADM has established appropriate systems for the collection, aggregation and analysis of quantitative data for determination of these metrics for the stated period and boundaries.

Statement of independence, impartiality and competence

Bureau Veritas Group is an independent professional services company that specializes in Quality, Health, Safety, Social and Environmental management with over 180 years history in providing independent assurance services, and an annual 2017 revenue of \$4.7 billion Euros.

No member of the assurance team has a business relationship with ADM, its Directors or Managers beyond that of verification and assurance of sustainability data and reporting. We have conducted this verification independently and we believe there to have been no conflict of interest.

Bureau Veritas has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

The assurance team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over 20 years combined experience in this field and an excellent understanding of Bureau Veritas standard methodology for the Assurance of Sustainability Reports.

Attestation:

Joi & Bains

John A. Rohde, Technical Reviewer Senior Project Manager Sustainability and Climate Change Services Bureau Veritas North America, Inc.

Lisa S. Barnes Principal Sustainability and Climate Change Services Bureau Veritas North America, Inc.

April 20, 2018



GRI Standard	Disclosure	Page number(s) and/or URL(s)			Omission Part and Reason		
General Disclosures							
	Organizational Profile						
	102-1 Name of the organization	Archer-Dan	iels-Midland Company	/ and its sub	osidiaries		
	102-2 Activities, brands, products, and services	<u>10-K, page</u>	4				
	102-3 Location of headquarters	Chicago, Illinois, USA					
	102-4 Location of operations	<u>10-K, pages 15-20</u>					
	102-5 Ownership and legal form	Publicly traded company, incorporated					
	102-6 Markets served	10-K, page 4					
	102-7 Scale of the organization	Overview, page 2; <u>10K, pages 24 & 28</u>					
		32,462; 3	mber of employees by 22.5% female, 77.5% m mber of employees by	ale	nd region		
				Salaried	Hourly	Part Time/ Seasonal	
		Asia/Pa		694	242	10	
GRI 102: General			America/ Caribbean	182	168	12	
Disclosures 2016		EMEA		3880	4166	410	
		N. Ame		8075	9272	404	
	102-8 Information on employees and other workers	S. America 2032 2490 425 c) Total number of employees by type and gender					
					Male	Female	
		Full-tim		Total 31201	78.7%	21.3%	
		Part-tin	-	1261	46.6%	53.4%	
			d) Significant portion of activities performed by workers who are not employees: Noe) Significant variations in the numbers: No				
	f) Explanation of data compilation: Data gathered from human reso department and payroll system.		human resources				
	102-9 Supply chain		Vatural Resources, pag siness Alliances, pages				
	102-10 Significant changes to the organization and its supply chain	<u>10-K, page (</u>	<u>26</u>				

			Omission
GRI Standard	Disclosure	Page number(s) and/or URL(s)	Part and Reason
	102-11 Precautionary Principle or approach	Overview, page 3	
	102-12 External initiatives	Overview, pages 3 and 4	
	102-13 Membership of associations	Overview, page 4	
	Strategy		
	102-14 Statement from senior decision-maker	Letter from the CEO, page 1	
	Ethics and Integrity		
	102-16 Values, principles, standards, and norms of behavior	Overview, page 3	
	Governance		
	102-18 Governance structure	Proxy Statement, pages 11-13; Overview, page 3	
	Stakeholder engagement		
	102-40 List of stakeholder groups	Overview, page 5	
	102-41 Collective bargaining agreements	33%	
	102-42 Identifying and selecting stakeholders	Overview, page 5	
GRI 102: General	102-43 Approach to stakeholder engagement	Overview, page 5	
Disclosures 2016	102-44 Key topics and concerns raised	Overview, page 5	
	Reporting practice		
	102-45 Entities included in the consolidated financial statements	<u>10-K, Exhibit 21</u>	
	102-46 Defining report content and topic Boundaries	Overview, page 6; Operational control	
	102-47 List of material topics	Overview, pages 6 and 7	
	102-48 Restatements of information	None	
	102-49 Changes in reporting	None	
	102-50 Reporting period	Calendar year 2017	
	102-51 Date of most recent report	May 2017	
	102-52 Reporting cycle	Annual	
	102-53 Contact point for questions regarding the report	sustainability@adm.com	
	102-54 Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option	
	102-55 GRI content index	Appendix, page 41-46	
	102-56 External assurance	Appendix, pages 37-39	

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission Part and Reason
Material Topics			
Energy			
	103-1 Explanation of the material topic and its Boundary	Mitigating Climate Change, pages 8 and 9	
GRI 103: Management	103-2 The management approach and its components	Mitigating Climate Change, pages 8 and 9	
Approach	103-3 Evaluation of the management approach	Mitigating Climate Change, pages 8 and 9; 3rd party verification, Appendix pages 38 and 39	
GRI 302: Energy	302-1 Energy consumption within the organization	 a) Total non-renewable fuel consumption: 54,324,000 MWh b) Total renewable fuel consumption: 4,937,000 MWh c) Total: i) Electricity consumption: 5,050,000 MWh ii) Heating consumption: 0 MWh iii) Cooling consumption: 0 MWh iv) Steam consumption: 121,000 MWh d) Total: i) Electricity sold: 147,000 MWh ii) Heating sold: 0 MWh iii) Cooling sold: 0 MWh iii) Cooling sold: 0 MWh iv) Steam sold: 0 MWh iv) Steam sold: 0 MWh f) Methodology/Calculation tools: Energy data is gathered using a combination of utility bills, operations data tracking systems, and fuel purchase records. g) Conversion factors: www.onlineconversion.com 	
	302-3 Energy intensity	 a) Energy intensity: 0.92 MWh/MT processed b) Denominator: metric tons processed c) Types of energy included: all d) Consumption boundary: energy consumed within the organization 	
	302-4 Reduction of energy consumption	 a) Reductions in energy: 28.3% reduction in intensity over baseline b) Types of energy included: all c) Base Year: 2010 - This was the first year that global emissions data was quantified. d) Methodology/Calculation tools: Energy data is gathered using a combination of utility bills, operations data tracking systems, and fuel purchase records. 	

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission Part and Reason
Water Management			
	103-1 Explanation of the material topic and its Boundary	Protecting Natural Resources, pages 13 and 14	
GRI 103: Management	103-2 The management approach and its components	Protecting Natural Resources, pages 13 and 14	
Approach	103-3 Evaluation of the management approach	Protecting Natural Resources, pages 13 and 14; 3rd party verification, Appendix pages 38 and 39	
GRI 303: Water	303-1 Water withdrawal by source 303-3 Water recycled and reused	 a) Total volume of water withdrawn i) Surface water: 30,794,000 m³ ii) Ground water: 35,634,000 m³ iii) Rainwater: 1,035,000 m³ iv) Wastewater from other organizations: 0 v) Municipal water: 40,923,000 m³ b) Standards/methodologies used: Data is collected using a combination of flow meters and utility billing data. Once-through cooling water that is withdrawn and returned to the same body of water with only a change in temperature is excluded. a) Total volume of water recycled and reused: 2,306,000 m³ b) Volume of water recycled as % of total: 2% c) Standards/methodologies used: For this category, only water collected 	
		and treated onsite in onsite wastewater treatment operations is included.	
Land Use and Biodiversity			
GRI 103:	103-1 Explanation of the material topic and its Boundary	Protecting Natural Resources, pages 13, 16-20	
Management	103-2 The management approach and its components	Protecting Natural Resources, pages 13, 16-20	
Approach	103-3 Evaluation of the management approach	Protecting Natural Resources, pages 13, 16-20	
GRI 304: Biodiversity	304-2 Significant impacts of activities, products, and services on biodiversity	Protecting Natural Resources, pages 13, 16-20	
GHG Emissions			
	103-1 Explanation of the material topic and its Boundary	Mitigating Climate Change, pages 8, 10-12	
GRI 103: Management	103-2 The management approach and its components	Mitigating Climate Change, pages 8, 10-12	
Approach	103-3 Evaluation of the management approach	Mitigating Climate Change, pages 8, 10-12; 3rd party verification, Appendix page 37	

			Omission
GRI Standard	Disclosure	Page number(s) and/or URL(s)	Part and Reason
GRI Standard	305-1 Direct (Scope 1) GHG emissions	 a) Scope 1 emissions: 14,612,000 MT CO2e b) Gases included: All Kyoto protocol gases, plus additional refrigerants c) Biogenic CO2 emissions: 6,168,000 MT CO2 d) Base Year: 2010 i) Rationale: This was the first year that global emissions data was quantified. ii) Base year emissions: Scope 1 - 14,244,000 MT CO2e; Biogenic – 5,314,000 MT CO2 iii) Recalculation of base year: N/A e) Source of emission factors: Depending on region, emission factors are from IEA, US EPA, and/or The Climate Registry; GWPs used are from IPCC 4th edition report f) Consolidation approach: operational control g) Standards/methodologies used: The Climate Registry protocol is used except where otherwise required by law, such as US EPA Part 98 Mandatory Reporting. 	
	305-2 Energy indirect (Scope 2) GHG emissions	 a) Location-based Scope 2 emissions: 2,859,000 MT CO2e b) Market-based Scope 2 emissions: N/A c) Gases included: All Kyoto protocol gases d) Base Year: 2010 i) Rationale: This was the first year that global emissions data was quantified. ii) Base year emissions: Scope 1 - 14,244,000 MT CO2e; Biogenic – 5,314,000 MT CO2 iii) Recalculation of base year: N/A e) Source of emission factors: Depending on region, emission factors are from IEA, US EPA, and/or The Climate Registry; GWPs used are from IPCC 4th edition report f) Consolidation approach: operational control g) Standards/methodologies used: The Climate Registry protocol 	
	305-4 GHG emissions intensity	 a) GHG emissions intensity: .263 MT CO2e/MT processed b) Denominator: metric tons processed c) Types of GHG emissions included: Scopes 1 and 2 d) Gases included: All Kyoto protocol gases, plus additional refrigerants 	
GRI 305: Emissions	305-5 Reduction of GHG emissions	 a) GHG reduction: intensity reduced 16% over baseline b) Gases included: All Kyoto protocol gases c) Base Year: 2010 - This was the first year that global emissions data was quantified. d) Scopes: Scopes 1 & 2 e) Standards/methodologies used: The Climate Registry protocol 	

			Omission Part and
GRI Standard Supply Chain	Disclosure	Page number(s) and/or URL(s)	Reason
Management	103-1 Explanation of the material topic and its Boundary	Protecting Natural Resources, pages 13, 16-18; Creating Business Alliances, pages 21-22, 26-27; Enhancing Employee and Community Well-Being, pages 28, 31-36	
GRI 103: Management Approach	103-2 The management approach and its components	Protecting Natural Resources, pages 13, 16-18; Creating Business Alliances, pages 21-22, 26-27; Enhancing Employee and Community Well-Being, pages 28, 31-36	
	103-3 Evaluation of the management approach	Protecting Natural Resources, pages 13, 16-18; Creating Business Alliances, pages 21-22, 26-27; Enhancing Employee and Community Well-Being, pages 28, 31-36	
GRI 308: Supplier Environmental Assessment	308-2 Negative environmental impacts in the supply chain and actions taken	Protecting Natural Resources, pages 13, 16-18; Creating Business Alliances, pages 21-22, 26-27; Enhancing Employee and Community Well-Being, pages 28, 31-36	
GRI 413: Local communities	413-2 Operations with significant actual and potential negative impacts on local communities	Protecting Natural Resources, pages 13, 16-18; Creating Business Alliances, pages 21-22, 26-27; Enhancing Employee and Community Well-Being, pages 28, 31-36	
GRI 414: Supplier Social Assessment	414-2 Negative social impacts in the supply chain and actions taken	Protecting Natural Resources, pages 13, 16-18; Creating Business Alliances, pages 21-22, 26-27; Enhancing Employee and Community Well-Being, pages 28, 31-36	
Human Rights			
GRI 103:	103-1 Explanation of the material topic and its Boundary	Enhancing Employee and Community Well-Being, pages 28, 31-32	
Management	103-2 The management approach and its components	Enhancing Employee and Community Well-Being, pages 28, 31-32	
Approach	103-3 Evaluation of the management approach	Enhancing Employee and Community Well-Being, pages 28, 31-32	
GRI 407: Freedom of Association and Collective Bargaining	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Enhancing Employee and Community Well-Being, pages 28, 31-32, 34-36	
GRI 408: Child Labor	408-1 Operations and suppliers at significant risk for incidents of child labor	Enhancing Employee and Community Well-Being, pages 28, 31-32, 34-36	
GRI 409: Forced or compulsory labor	409-1 Operations and suppliers at significant risk for incidents of forced of compulsory labor	Enhancing Employee and Community Well-Being, pages 28, 31-32	
GRI 411: Rights of indigenous peoples	411-1 Incidents of violations involving rights of indigenous peoples	Enhancing Employee and Community Well-Being, pages 28, 31-32	
GRI 412: Human Rights Assessments	412-1 Operations that have been subject to human rights reviews or impact assessments	Enhancing Employee and Community Well-Being, pages 28, 31-32	
Rights Assessments	412-2 Employee training on human rights policies or procedures	Enhancing Employee and Community Well-Being, pages 28, 31-32	

			Omission Part and
GRI Standard	Disclosure	Page number(s) and/or URL(s)	Reason
GRI 414: Supplier Social Assessment	414-2 Negative social impacts in the supply chain and actions taken	Enhancing Employee and Community Well-Being, pages 28, 31-32, 34-36	
Community Relations			
GRI 103:	103-1 Explanation of the material topic and its Boundary	Enhancing Employee and Community Well-Being, page 33	
Management	103-2 The management approach and its components	Enhancing Employee and Community Well-Being, page 33	
Approach	103-3 Evaluation of the management approach	Enhancing Employee and Community Well-Being, page 33	
GRI 413: Local communities	413-1 Operations with local community engagement, impact assessments, and development programs	Enhancing Employee and Community Well-Being, page 33	
Food Safety/ Customer Safety			
GRI 103:	103-1 Explanation of the material topic and its Boundary	Enhancing Employee and Community Well-Being, page 30	
Management	103-2 The management approach and its components	Enhancing Employee and Community Well-Being, page 30	
Approach	103-3 Evaluation of the management approach	Enhancing Employee and Community Well-Being, page 30	
CDI 41C Customer	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Enhancing Employee and Community Well-Being, page 30	
GRI 416: Customer Health and Safety	FP5 Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards	Enhancing Employee and Community Well-Being, page 30	
Technology & Innovation			
GRI 103:	103-1 Explanation of the material topic and its Boundary	Creating Business Alliances, pages 23 and 24	
Management	103-2 The management approach and its components	Creating Business Alliances, pages 23 and 24	
Approach	103-3 Evaluation of the management approach	Creating Business Alliances, pages 23 and 24	
Not applicable	Significant innovations or strategic partnerships	Creating Business Alliances, pages 23 and 24	