Commitment: In March 2015 ADM announced its no deforestation policy with a focus on palm and soy including provisions related to:

- No Deforestation, No Peatland, No Development on HCV and HCS land
- No Exploitation of people and local communities

Motivation: Serving vital needs! Our vision is to be the most admired global agribusiness!

- Corporate Culture, Purpose and Values (Sustainability, Resourcefulness, Responsibility)
- Sustainable Shareholder Value (satisfy current shareholders, attract new shareholders)
- Stakeholder Value (NGOs, communities, customers, consumers)
- Business Case (market access, customer demand, industry initiatives)

Partnership: In April 2015 ADM became member of The Forest Trust (TFT), a specialized NGO in the area of supply chain transformation, transparency, mapping & traceability
ADM NoDPE Policy

ADM, the first company with NoDPE commitment for soy
ADM NoDPE Policy

Transparency by means of Sustainability Progress Tracker

For a full update on how we are progressing toward our goals, please read our progress reports and action plan.

Progress Reports
Q3 2016 Progress Report

Past Progress Reports
Q2 2016 Progress Report
Q1 2016 Progress Report
Q4 2015 Progress Report
### Focus Soy

#### Summary of potential risks by country and biome

<table>
<thead>
<tr>
<th>ADM Commitments</th>
<th>Brazil</th>
<th>Paraguay</th>
<th>Argentina</th>
<th>Uruguay</th>
<th>Bolivia</th>
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</thead>
<tbody>
<tr>
<td><strong>Biomes</strong></td>
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<tr>
<td>Amazon Forest</td>
<td>Low</td>
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<tr>
<td>Atlantic Forest</td>
<td>Low</td>
<td>High</td>
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<tr>
<td>Caatinga</td>
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<tr>
<td>Cerrado</td>
<td>High</td>
<td>Medium</td>
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<tr>
<td>Gran Chaco</td>
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<td>Medium</td>
<td>Medium</td>
<td>-</td>
<td>High</td>
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<tr>
<td>Pantanal</td>
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<tr>
<td>Pampas</td>
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<td>Low</td>
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<tr>
<td>Patagonian Steppe</td>
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<td>Low</td>
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<tr>
<td>Yungas Forest</td>
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<td>Medium</td>
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</tbody>
</table>
Focus Soy

Approach to farm level monitoring in high risk areas

High Risk Biome

Identify priority states and/or municipalities within the high risk biome

Collect supplier data/maps in priority areas

Use remote sensing tool(s) to monitor compliance with No DPE commitment

Work with suppliers who may not be in compliance today, but who are willing to establish compliant operations.
Focus Soy
Set of Sustainability Instruments

Community Engagement
Remote Sensing
Certification Standards
Developing Programs
Traceability Solutions
Industry Initiatives
Remote Sensing

Monitoring vegetation conversion and deforestation

- ADM concluded pilot assessments of different remote sensing monitoring tools
- The following tool providers were tested by ADM:
  - Agrosatélite
  - Agrotools
  - Terras
  - Global Forest Watch
  - Global Risk Assessment Services (GRAS)
- Remote sensing experts from academia and NGOs provided perspectives on which tools are best suited to meet the challenge of the broad geographic scale of the ADM NoDPE Commitment.
GRAS – one of the finalists

- GRAS is scalable and works on different areal levels (farm, municipality, state, country)
- GRAS can differentiate between forest, grass, shrub, crop and other land cover (EVI index)
- GRAS can estimate compliance with Brazilian legal reserve requirements at the farm level and also shows areas of permanent protection in Brazil
- GRAS provides a map of high carbon stock areas (above and below ground plus soil carbon) and monitors annual carbon loss
- GRAS also refers to various social indices (indigenous communities & land conflicts) and derives an area’s social risk factor
- GRAS creates an in-house sustainability risk index combining all assessment factors

**Conclusion:**
- High cost-benefit ratio
  - Ready-to-go, one-stop solution, market-ready and fully-functional version.
GRAS uses various satellite data sources: Landsat, MODIS, ALOS-PALSAR. It can display different resolution levels (MODIS pixel = 250m x 250m, Landsat pixel = 30m x 30m).

GRAS is using satellite remote sensors to measure and map the density of green vegetation.

Wavelengths and intensity of visible and near-infrared light reflected-back by the land surface clearly allows to quantify the concentration of green leaf vegetation all over the world.

Pigment in plant leaves (chlorophyll) strongly absorbs the visible light for use in photosynthesis.

Cell structure of the leaves strongly reflects near-infrared light.

Each plant/vegetation has a typical light reflection over time, meaning each change of conversion can be identified by GRAS (crop rotation, deforestation, grass land conversion, etc.).

GRAS can access 15 years of records of MODIS satellite images.
Remote Sensing

EVI can identify each kind of vegetation change
THANK YOU

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