



CLIMATE LEADER

ADM: a Climate Leader for its energy transition investments.

ADM is making significant investments in technologies to grow in a sustainable way, and has set a target to be deforestation-free by 2025.

ADM – the Chicago-based, human and animal food processing company – says that sustainability is at the centre of its strategy. “Our strategic plan of sustainable growth leverages the trends and technologies to help us grow in a sustainable way, while creating value,” says Shari Graves, ADM’s Global Director – Enterprise Risk Management.

“We unlock the power of nature and transform crops into ingredients and solutions for foods, beverages and supplements for people all around the world, and we provide a complete range of solutions and services for livestock, aquaculture and pets.”

Embedding an integrated approach

ADM was shortlisted for the award for Embedding an Integrated Approach. This is demonstrated in its strategic plan: ‘Sustainable Growth’.



We believe sustainability is critical to our future growth strategy,



says Graves. “Our Ag Services and Oilseeds business unit is focused on traceability of sourcing and differentiation and engaging growers in ADM’s re:generations™ programme. Carbohydrate Solutions is decarbonising its footprint, so as to become the partner of choice for lower-carbon intensity BioSolutions and biomaterials...Nutrition is focused on developing alternative proteins, from sources such as fermentation, plants, fungi, and insects, increasing protein options for human and animal nutrition.”

The growth of these projects and businesses are aligned with the aims of the Paris Agreement. The Paris Agreement, adopted by 196 parties in 2015, aims to limit global warming to well below 2°C and as close to 1.5°C above preindustrial levels as possible. The Glasgow Climate Pact confirmed commitment to the 1.5°C limit.

ADM has produced a range of metrics to demonstrate how its integrated approach is delivering results. It has also aligned its financial disclosures with three key sustainability reporting standards: the Global Reporting Initiative, the Task Force on



Climate-Related Financial Disclosures and the Sustainability Accounting Standards Board.

Its Finance team, in collaboration with the Sustainability team, capture sustainability metrics to evaluate impact on the environment and society. The Treasury team has issued ADM’s first ever green bond to attract environmentally conscious investors, with the Finance team actively monitoring its performance and impact.

The judges observed that ADM is very much aware of the need for change within its sector and is seizing the opportunities that this need for change presents – for example, by investing significant sums in new technologies and regenerative agriculture. Finance supports this approach, acting not as a gatekeeper but as a key partner in cross-functional decision making.

Climate leadership through transition

Innovation is at the heart of ADM's energy transition planning. "We are pursuing innovative technologies at three of our largest cogeneration facilities reducing point source GHG emissions that may provide ADM a method to reduce Scope 1 and Scope 2 emissions by approximately 3,000,000 metric tonnes per year when fully implemented," says Graves.

What is more, project development is underway in South America and Europe to increase the use of renewable biomass – in place of natural gas – as fuel for steam boiler operations. This could reduce Scope 1 emissions by more than 60,000 metric tonnes per year.

ADM's first wind project was operational in mid-2023, providing Brazilian operations with renewable power and reducing its Scope 2 footprint by more than 19,000 metric tonnes per year.

A further key initiative for 2023 was an agreement with Warwick Carbon Solutions for the development of Broadwing Energy, a natural gas-fuelled power plant that will provide lower-carbon steam and electricity to its Decatur

complex. This plant will additionally employ carbon capture technology. Also in 2023, ADM's regenerative agriculture efforts globally reduced its Scope 3 footprint by 310,000 metric tonnes of CO₂ and sequestered 263,700 metric tonnes of CO₂.

Graves says that teams from across ADM have come together to collaborate and develop ways of executing new ideas. "This culture sets ADM on the path of being a leader in low carbon intensity food and feed stock," she says.



We have amazing talent we believe sets us apart but, more importantly, it is how we come together with such excitement and support for this effort that makes this meaningful endeavour in itself sustainable.



The judges' view:

The judges said ADM is a Climate Leader because of these significant investments in technologies to reduce its GHG emissions.

They were also appreciative of ADM's achievements in operating carbon capture and storage, and for sequestering CO₂ from the ethanol process. The company sees being deforestation-free as part of its climate mitigation strategy, and has set a target date of 2025 to be just that.



What is more, ADM is investing in technology – even startups – and is publishing what it's doing, not just setting goals.



The judges pointed out that, while ADM had set 2035 climate goals, it's also making significant longer-term investments in climate-focused technology and products, and working collaboratively across the business. They appreciated ADM's strong sense of multidimensional thinking about climate and nature, reflected in the company's work on regenerative agriculture.

The Finance for the Future Awards recognise the role of finance in driving sustainable economies.

To see more inspiring case studies or to register interest for the next awards please visit: financeforthefuture.org