



Making Regenerative Ag Work for Everyone



Who needs to be involved?

A successful regenerative agriculture program requires key partners to ensure the producer has technical assistance support along with financial support. A partner organization that provides the highest quality data collection and reporting is also necessary. That's why ADM partners with technical assistance organizations in each region, including:

- » American Farmland Trust (Illinois)
- » Ducks Unlimited (Indiana, Michigan, and Ohio)
- » Flint River Soil and Water Conservation District (Georgia, Alabama, Florida)
- » Kansas Association of Conservation Districts (Kansas)
- » Minnesota Soil Health Coalition (Minnesota)
- » NBGC – National Black Growers Council
- » Practical Farmers of Iowa (Iowa, Nebraska, Illinois)

ADM uses the FBN platform for data collection and reporting.

What are the steps for participation?

ADM offers premium programs under the re:generations™ name that pay producers for execution of regenerative agriculture practices. Program participation details include:

- 1) Recruitment efforts by ADM and partners to engage producers on the opportunity for direct incentives.
- 2) Producers complete an online enrollment survey and a consultation with ADM or technical assistance partners. This is done to explain program details and qualifications and confirm information on contracted acres per practice. In addition, guidance is given for successful practice implementation. At this point, producers sign a contract to enroll in the program for payment.
- 3) Once the contract is signed, FBN contacts producers to gather field-level data. This includes field boundary identification, planting dates, tillage practices, fertilizer application, cover crop data, harvest information and other information regarding field-level decisions.
- 4) Once field-level data is compiled, FBN then measures, reports, and verifies practices through remote sensing and other tools. A small subset of producers will have fields soil sampled and/or third-party verified at the cost of ADM.
- 5) At the end of the calendar year, technical assistance partners collect final survey information. This includes feedback from producers on economic benefits, program satisfaction, re-enrollment potential in future years, and other anecdotal information.
- 6) In May the following year, ADM distributes payments upon verification from FBN of practice implementation.

Note: Data collection is a crucial part of the program, and a producer's data privacy is taken very seriously. Completed field-level information gathered by FBN will never be shared outside of ADM and FBN for individual farms. ADM program reporting is only shared in aggregate, never identifying specific producer information. Initial enrollment survey information is seen only by ADM, FBN, and technical assistance partners. Soil sampling will only be done for a small subset of acres (10%). FBN will coordinate with producers and a soil sampling company by only sharing the location of farm to be soil sampled. On-farm verification is typically not required for this program. In the small percentage of cases where it is required, producers will be compensated for their time.

Why is ADM investing in re:generations programs?

ADM has committed to sustainability and regenerative ag goals that support continuous improvement of the agriculture supply chain. Our regenerative ag programs offer financial and technical support for producers that help enable them to adopt or continue regenerative agriculture practices. This ultimately attaches positive environmental impacts to agricultural ingredients created by ADM and helps tell the story of the good work producers do to reduce greenhouse gas emissions and improve water quality and soil health. ADM has committed to reduce its Scope 3 emissions by 25% by 2035. These programs help support that promise. The goal is to create a market that provides more value for crops producers grow regeneratively by adding characteristics that positively impact the environment. Programs like this help build the infrastructure to develop those markets.

Consumers, investors, governments and others are demanding reductions in greenhouse gas emissions and stronger environmental protections.

How will the effort be successful?

ADM has engaged conservation organizations as technical assistance partners to assist in the successful adoption of regenerative agriculture practices. Also, ADM partners with FBN as a data management partner to measure, report and verify the effects of regenerative agriculture practices. Finally, ADM pays direct incentives for the execution of regenerative agriculture practices by contracting directly with growers.

When will producers be made aware of re:generations opportunities?

In July 2023, ADM will conduct a full rollout of ADM re:generations programs, accompanied by a marketing campaign at ADM locations and through program partners.

FAQs

Why is ADM offering re:generations programs?

Consumers, investors, governments and others are demanding reductions in greenhouse gas emissions and stronger environmental protections. As a result, all industries, including agriculture, have proactively begun to address these concerns. ADM is in a unique position to connect ag producers with consumers and demonstrate initiative and leadership on the environmental front. Our re:generations programs are one example of how we're working with producers to help them successfully incorporate regenerative ag practices on their farms. By doing so, we seek to meet the immediate short-term environmental expectations from society, but also foster changes that create long-term benefits. Some examples of these benefits for producers include:

- » Create producer incentives through new market pathways
- » Make grain less of a commodity by adding new value
- » Increase farm productivity through regenerative ag practices

Do I need to incorporate new management practices into my operation to participate?

Not all practices must be new. However, with cover crops, producers achieve a higher payment on acres done for the first time if they are not enrolled in a federally funded program that incentivizes cover crops (EQIP, RCPP, etc.)

Will my data be sold?

Data is owned by the producer. ADM will NOT collect data and turn around and sell it to the highest bidder. It will only be utilized by ADM and partners in an aggregated and anonymized form to bring value back to the farm. The initial data is necessary to create value in the grain and bring a premium to the producer.

How long does the whole process take?

This depends heavily on what technology you use (for example, My John Deere, ClimateView, etc.), as well as how many fields, size of operation and so on. If digital solutions are utilized, the time commitment can be short even with a large farm size or large number of fields. Regardless, the time commitment for initial enrollment, data collection, survey, and payment is anywhere from 15 minutes to 1 hour for the first year. After year one, the time commitment will be less as your field boundaries will already be collected.

Why are FBN and technical assistance partners involved?

FBN collects, measures, reports, and verifies farm information in an accurate and efficient manner for producers. Technical assistance partners are involved to answer producers' questions about different practices and consult on adjustments made on the farm to maximize payments and productivity. They also provide farmer-to-farmer mentoring and resources to ensure practices are done correctly and efficiently.

What happens if weather doesn't allow me to get my cover crop planted?

If you can't get the cover crop planted, you won't receive payment. There are no "penalties."

What goes into my ISCC/emission score?

The International Sustainability and Carbon Certification (ISCC) promotes environmentally, socially and economically sustainable production. An ISCC score reflects good farming practices, ethical treatment of workers, and no deforestation to plant crops. The score includes the following data:

- » Fertilizer/manure (type, timing, application method)
- » Planting (dates, seeding rates)
- » Crop protection (product used, application rate, application timing, application method)
- » Harvest (yield, moisture)
- » Tillage (type, depth, timing)
- » Cover crops (acres planted, crops planted, planting timing, termination type)
- » Farm energy use (grain drying source, irrigation type)

How do I improve my score for higher payment?

A robust crop input program focused on efficiency in timing, application rate, and type of fertilizer may help you achieve lower scores. Reduced tillage and fewer passes with chemical application equipment also increase your efficiency and potential for payment.

Do I need to be an ADM customer to sign up?

Depending on the program you may get a bigger premium if you deliver your bushels to ADM. But some practices, like cover crops, do not require you to be an ADM customer.

How long is the contract?

One year.

For an ISCC program, what if I convert small hedge rows to crops?

It is acceptable to clear hedge rows or fence lines.

How long does an on-site visit take, and who visits my farm?

The farm visit takes from 1 to 2 hours to complete, and an appointment will be scheduled in advance at a convenient time for the producer. ADM reimburses producers for their time with a \$1,000 check. This visit is an opportunity for producers to tell their story. Representatives from ADM (primary merchandiser) and FBN, as well as the verification team, will visit the farm to verify information provided through the certification process. This entails providing paperwork or describing processes to verifiers as well as visual inspections of specific areas of the farm. If producers don't have specific information requested at the time of the farm visit, then they can follow up with the verifiers afterwards by email. All information reviewed is confidential.

Do I have to sell grain to ADM in an ISCC program?

You do not have to sell all your grain to ADM. However, you will only be paid the premium on bushels delivered to a qualified location.

Does minimal-till qualify for no-till/strip-till payment in wheat programs?

No. Only no-till and strip-till qualify for that payment premium per wheat acre.

How do I qualify for a Nitrogen Balance payment in the wheat program?

An N-Balance safe zone equation established by Environmental Defense Fund uses fertilizer and harvest information to calculate Nitrogen Balance. Typically, less nitrogen applied or lower carbon intensity forms of nitrogen (for example, chicken litter, hog manure, etc.) combined with strong yields will result in an N-Balance payment.

What if my cover crop doesn't grow?

If a cover crop doesn't grow due to natural phenomenon, then it will still be paid out and not penalized. ADM will not pay for cover crops that failed due to human error (such as spray drift, incorrect chemical or rate used, etc.), or if they were harvested mechanically, whether that be the seed or haying.

What if producers indicate they have never reported cover crop acres to the Farm Services Agency (FSA)?

For USDA payments, cover crops must be reported to FSA, and FBN/ADM must be provided with the FSA field print maps and FSA subsidiary print document. Any other qualifying cover crops will be paid out at \$10/acre.

For "New in 2023" acres, how many previous years of reports are needed?

There is an 8-year lookback, with satellite imagery used as standard practice.

Many producers have farms/entities broken out individually by landlord.

Can a producer have more than one contract?

More than one contract per producer may be accommodated if they sign up multiple unique FBN accounts and ADM accounts. However, a better solution is to account for all acres under one FBN account, and then ADM can split out payments as needed.

Can producers enroll acres in the cover crop portion if they planted in 2023 and it has already failed?

If the cover crop has failed, then they would need to at least try to replant again.

How does ADM make money on this?

ADM and partners pay for these programs to reduce carbon intensity in our own supply chains. Ultimately, consumer demand through end-use customers will fund part or all these programs, but that is something to be realized in the future. As of now, this is an expense borne by ADM. USDA also funds some of these practices through ADM.

Will ADM tell me how to farm?

ADM will never tell a producer how to farm. We provide incentives for practices that ADM and downstream customers deem valuable. These programs are purely voluntary, and producers are not required to participate to sell to ADM.

