



BASF

We create chemistry

**MOVING FORWARD WITH FARMING –
THE BIGGEST JOB ON EARTH**



Let's move forward together

While farming is the biggest job on earth, farmers are not facing the challenge alone. We support productive, sustainable agriculture, allowing farmers to protect the land they hold in trust for future generations while meeting the demands of modern society.

We pledge to:

- Invest in the right solutions to enable farmers to grow more quality food, more efficiently.
- Share our expertise to help farmers to make a better life for themselves and their communities.
- Never compromise on safety to allow farmers work in a safe environment and produce safe, healthy food.

In everything we do, we will play our part in leaving a positive environmental inheritance.

We stand shoulder to shoulder with farmers. Together, we will move forward on our journey.

ADM and BASF empower farmers in India

■ Providing practical support in the marketplace

We aim to support farmers to make a better life for themselves and their families. In India, we started our first initiatives back in 2007, following a simple principle: company experts would work directly with local farmers to increase yields and farm profitability while respecting the environment. While that was of huge benefit to farmers in the field, the BASF team soon realized there were further challenges to overcome at the local mandis (agricultural marketplace), like the cost overheads associated with transportation, and high broker commissions.

Far too often, farmers were forced to sell at low prices just to access cash quickly or had to move stock due to lack of warehousing facilities. And that is precisely why BASF started to collaborate with ADM, one of the largest agricultural processors and food ingredient providers in the world. Both companies shared a common vision – to help Indian farmers become more profitable.



“ADM and BASF have independently developed successful models for working directly with farmers. Both initiatives have significantly improved living standards. I believe that combining both models will add a new synergy, allowing both companies to reach more farmers and further enhancing the livelihoods of rural communities. Ultimately, this is all about providing the consumer with a safe, sustainable, traceable product.”

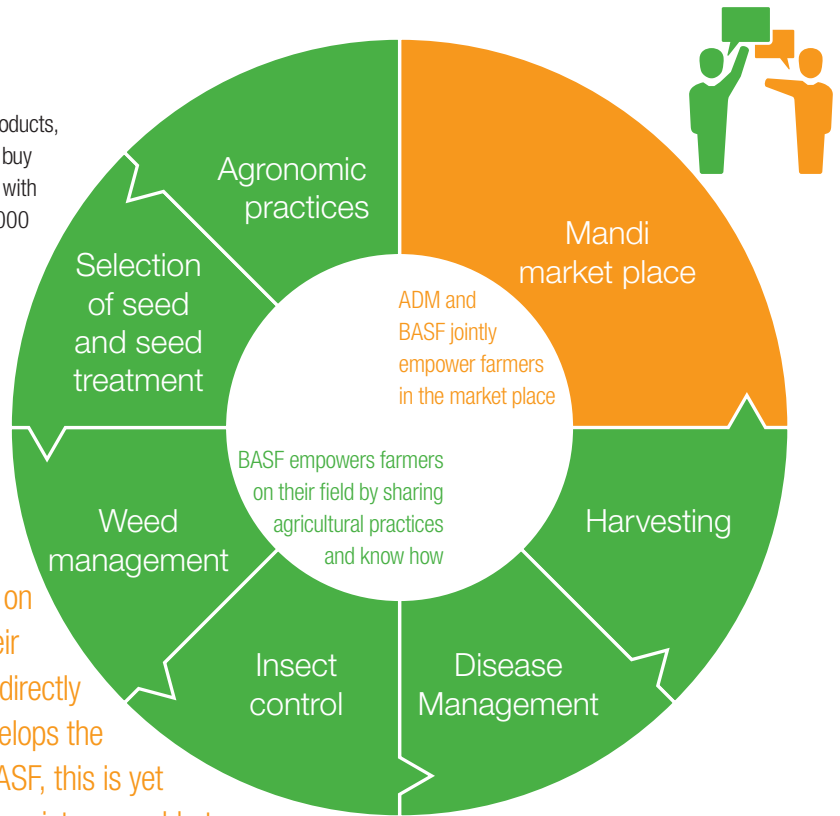
Martin Kropp, ADM's Managing Director

■ The power of collaboration

As part of a commitment to providing sustainable and traceable products, ADM was already actively looking to change its sourcing strategy and buy directly from farmers. However, while ADM had been working directly with farmers since 2001 and had developed a network of more than 100,000 growers, these relationships were limited to certain geographic areas. In contrast, BASF had a sophisticated, distributed network in place with over 250,000 trained and highly motivated farmers in the states of Maharashtra and Rajasthan, all providing high quality soybeans. Working together seemed an obvious solution.

“This is a great example of how sustainable farming can add real business value for all stakeholders involved. As farmers are able to produce more and sell directly to ADM, they save on overheads and receive immediate payment for their goods. Meanwhile, ADM is procuring its produce directly from source; this guarantees high quality and develops the company’s direct relationship with farmers. For BASF, this is yet another customer touch point, where our sales associates are able to provide value added services for the farmer.”

Sandeep Gadre, Business Director
South Asia at BASF Crop Protection



■ A win-win-win partnership

This partnership ticks all the boxes. Everyone benefits.

The Farmer

Farmers not only benefit from agricultural best practice shared through BASF initiatives but are now fully integrated into the end-to-end value chain, enjoying a hassle-free sales process.

- Total saving of around 12.87 € per ton on through broker commission, weighing charges, and transportation costs as ADM’s procurement centers are located nearby the villages
- Free warehousing and cheaper financing through banks against warehouse receipt
- Spot selling and immediate payment (transferred electronically from ADM to the farmer’s account)

ADM

ADM is procuring sustainably grown, high quality soybeans, directly from the farmer with the consumer enjoying an authentic product that can be traced back to an individual farm.

- Eventually connected to over 250,000 farmers through the BASF team
- Guaranteed high quality, sustainably grown soybeans
- Saving on mandi tax (agricultural market tax, Maharashtra): 0.75%
- Saving on agent commission: 0.75%

BASF

This initiative differentiated BASF in the marketplace, and helped our sales team win business.

The program does also strengthen the relationship between BASF and farmers and, thus, enables BASF to further learn with and from farmers about their agricultural needs.

- ADM now promotes and sells BASF products through their field staff and retail outlets, providing BASF access to more than 100,000 new farmers
- Marketing opportunity to use ADM’s agricultural centers to display and promote BASF products

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About ADM

ADM is one of the world’s largest agricultural processors and food ingredient providers, making products for food, animal feed, industrial and energy uses. An American multinational, it has a global value chain that includes more than 460 crop procurement locations, 300 ingredient manufacturing facilities, 40 innovation centers, and the world’s premier crop transportation network. In India, ADM is focused on the processing of oilseeds – particularly soybeans – into edible oils, animal feeds and feed ingredients.