



## Archer-Daniels-Midland Company | BOFA - 2026 Global Agriculture and Materials Conference | February 25, 2026

Salvator Tiano:

Good morning everyone, I'm Salvator Tiano. Thank you very much for coming and making through this weather. For the next fireside chat, we have ADM and we have two people actually, so the experts from biofuels from the company. So we start with Chris Cuddy, who's the President of the Carbohydrate Solutions segment, and also Regional Head of North America, as well as Greg Morris, who is the head of the Ag Services and Oilseeds segment. And I believe you have some prepared remarks first?

Chris Cuddy:

Yes, thank you, Sal, first of all, for having us and for Bank of America Securities for inviting ADM. It's really a pleasure to be here in a room with tons of great investors and other world-class companies. So thanks for putting ADM on the agenda.

I'll kick it off. My name's Chris Cuddy. I'm the President of our Carbohydrate Solutions business and our President of North America. I'll start with maybe just a few highlights from the last quarter and year and some things that I'm excited about personally and how we're running our businesses. First, last year was really, we tied together kind of five great years in the Carbohydrate Solutions business of fairly steady earnings. We took advantage of decent ethanol margins as we finished out the end of last year. And the teams did a great job of executing on any opportunities that we saw, and that helped us keep that string of five years alive of fairly steady earnings.

We had a nice milestone during the year of tying into the Tall Grass pipeline, or actually the Trailblazer Pipeline in Nebraska, which for those that don't know, is taking CO<sub>2</sub> from the Nebraska region west into Wyoming. We finished our dry mill in Q4, and actually since then we've tied in our wet mill in Columbus, Nebraska into that old Trailblazer. It's an old natural gas line coming east, it's now going west. And so we have the largest biorefinery in the world that is on CCS today in Columbus, Nebraska. It's not the largest biorefinery in the world, but the largest one with carbon capture and sequestration, and we're really super pleased about that.

The other thing we've done, we've announced kind of a lot of growth areas for us, for the Company and certainly for Carbohydrate Solutions around decarbonization, precision fermentation and bio solutions. These are platforms that have been identified over the years and we continue to bolster them up. Particularly within the corn business, we have what we call the "fight for the grind", and we're always looking to margin up, margin up, margin up, find new products to replace either those that have a lesser margin or they're going away from a volume perspective. And so we're really excited about the future of those three platforms and we think they have long enduring trends behind them and super excited about how they'll contribute to the franchise going forward.

And lastly, the power of our network. We have an amazing platform and network. It's very connected. What happens between Greg's business and Ag Services and Oilseeds and mine and Carbohydrate

Solutions I think it is hard to replicate and it's certainly a competitive advantage that we have around all the things that we do together. Whether it's buying the grains from Ag Services, whether it's using global trade to take our co-products away, whether it's using Regen Ag from Greg's business, there's tons of synergies that go along with all those things. Logistics, you name it, as well as the teams and the way that they execute. So the power of the network and the power of our teams remain incredible within ADM. So I'll pass that to Greg.

Greg Morris:

Yeah, thanks Chris, you covered a lot of ground there. I think from my perspective, Sal, if I just think about 2025, we had lots of external challenges. When you think about the trade war, the uncertainty about what was lurking around the next corner, the anticipation for clarity on biofuels, which kind of came but didn't really come. All of that led to a difficult financial year.

But I would tell you that the scoreboard doesn't represent the effort of the team. And when you think about what we actually could control last year, we accomplished a number of things. We're really focused on improving our operations. So we finished the year with the safest year in ADM history. We set a number of production records across the global network. In fact, Q4 was a record, global crush volumes for us. We took a number of portfolio actions, and so we had addressed a number of underperforming assets, exiting over a dozen grain elevators that were tying up capital and weren't generating an adequate return. We set up a couple of joint ventures in North America to address a challenged industry, the cotton seed crush industry.

And then maybe the third thing we did was we really got disciplined around capital, and working capital specifically. And so we've gotten very precise in terms of how we manage our working capital, making sure that the teams day-to-day are really thinking about the returns they're going to generate on the capital that they're deploying with the decisions that they're making. But really proud of the team for the controllable actions that they took in a very difficult year. And I think it all sets us up for a much better performance as we think about 2026.

Salvator Tiano:

Perfect. Thank you, Greg. So sticking a little bit with the crush margin on your business, the number one question investors have been having is that for the past year or so, not just ADM, pretty much every publicly-traded company that reports crush margins seems to be realizing margins well below what is the board number, right? What we call the board crush. Can you elaborate a little bit on why is that? What has led to the change versus the cash margin? And also is this perhaps the new normal, a wider discount versus the board?

Greg Morris:

Yep. Well, if you start with what is board crush? Board crush is a function of the product values, so soybean meal and soybean oil minus the value of soybeans. There's a set yield associated with that. So it's 44 pounds per meal, it's 11 pounds for oil. But when you do that calculation, you're essentially assuming a basis level of option price or zero because you're using futures prices for board crush calculation. So when you look at translating from board crush to cash margins, the difference is you take actual yields into consideration and you take basis levels into consideration. Well, the yields aren't going to be the material driver of that difference, but the basis levels will be.

So when you think about what happened last year or over the last couple of years, you've had a significant ramp up in crush capacity, both in North America and Brazil. So meal basis values have been a bit lower than historical. You've had the uncertainty around biofuels policy in North America, which

caused soybean oil basis values to be a bit lower than normal. And so when you think about the basis values of the products relative to the basis on beans, product basis levels were weaker relative to beans. And that drives the math calculation to create a lower cash margin versus board crush.

And so I think as you have more clarity around biofuels policy, you stimulate additional demand for soybean oil. When you see basis levels start to improve, as soybean meal demand continues to grow and soak up the extra production, when you see basis levels start to rise, you're going to see the convergence of cash versus board crush.

Salvator Tiano:

Okay, perfect. And talking exactly about this demand, so can you talk a little bit about how you've been running the plants over the past one to two years when things were softer in the industry as well as assuming the RVOs are going through as initially proposed, what is the expected pickup in terms of volumes you would expect and the benefits across the ADM system?

Greg Morris:

Sure. I would say generally we've been running our plants hard. The margins have been adequate enough to allow us to run at relatively hard rates. I did mention we've set a number of production volume records across the network. South America, for example, has had a very good run for the last several years. North America has made some significant improvements. We've worked hard over the years to improve our unplanned, unscheduled downtime. And so we continue to chip away at that and improve the reliability of our plants and our ability to avoid unplanned downtimes. And we've also expanded some of our facilities. So last year, we announced three expansions in Brazil. We executed two. We have one more that's ongoing. And so I would say we're running the plants relatively hard. I would expect incremental additional volumes to be pushed through the network as we continue to get better at reducing our unplanned unscheduled downtime, as we continue to execute on logical de-bottle-necking projects, and as we invest in our facilities and upgrade and modernize. Certainly, those projects can always unlock some additional incremental production volumes.

Salvator Tiano:

Okay, perfect. Taking a little bit of a step back and talking about the industry and soybean oil in particular, again, with these RVOs being proposed, we see a very significant uptick in demand in the next, I'll say 12 to 24 months. And there is a scenario we are thinking within Bank of America that the US would have to become a net importer of soybean oil. So right now, what are you seeing with regard to trade flows, and is this something that actually could happen the next couple of years?

Greg Morris:

Yep. Well, if you look at the strategic intent of the Administration, it's to put the US feedstock in a position of advantage. But when you look at the overall proposed mandates, assuming those come through, imports should have a role to play. You have Canada, you have Mexico, and you have other import trade flows that certainly could make sense. But it'll make sense only after you exhaust the opportunities around domestic feedstock production. And I think it could actually create a healthy environment. When you have a mix of imports and domestic feedstocks, if you have disruptions or changes in demand for biofuels or for the feedstock, if a big plant does an annual turnaround, the imports can actually create a bit of a buffer so that any fluctuation in demand, you're still able to maintain a relatively solid domestic flow. And so I think imports do play a role, whether it's feedstocks or

whether it's biofuels, but I think it's going to happen in an environment where those imports are going to be a disadvantaged versus domestic feedstocks.

Salvator Tiano:

Perfect. And on that subject, what is your thought on the proposal that imported feedstocks would get only half a RIN credit? And firstly, is it something you would approve, you would like? And secondly, is it going to happen given, I think last week's developments or rumors?

Greg Morris:

Well, that's another sign that the Administration wants to put US feedstocks in a position of advantage. We've heard talk, just like everybody else has, that perhaps the half RIN on imported feedstocks in the first year is going to be an administrative challenge. We've heard that's a topic of discussion, but I don't have any better insight than anybody else. I think in the end, what's really important is what's the net impact of the RVOs, net of the SREs, and what's the overall mandate look like.

Salvator Tiano:

Perfect. And just very quickly, do you have any thoughts on what may ultimately happen? I know there's a lot of uncertainty, so I'm not going to hold you to it.

Greg Morris:

Yeah.

Salvator Tiano:

Just if you have any, broad.

Greg Morris:

I'm not going to speculate. Just the market talks about how the half RIN on imported feedstocks may get pushed off the first year. I don't have any particular insight to speculate on whether it does or doesn't.

Salvator Tiano:

Okay, perfect. Shifting to the other side of the equation, you mentioned the meal. And what is your outlook for soybean meal when it comes to demand pricing, especially given that there is another leg up in US crush capacity, I believe another 10% in the next year or so. What should we expect from that part of the equation?

Greg Morris:

Well, it's been interesting to watch what's happened with meal over the last couple of years. The growth rates on meal have been fantastic in the world outside of China. China buys beans, the rest of the world generally is a meal buyer. And so demand has been really fantastic. And if you look at export volumes of meal, just as a data point out of the US and out of Brazil last year, there were records. And the anticipation in 2026 is that we're going to have record meal exports again. Inclusion rates are high profitability in the livestock sector, generally when you think about pork and when you think about poultry, have been decent. And so meal demand continues to be extremely strong, and has been able to soak up the extra production without too much trouble, but has really been impressive growth rates.

Salvator Tiano:

Perfect. Now, it's time to switch a little bit to ethanol and Carbohydrate Solutions. So firstly, can you talk a little bit about the impact of biofuel policy on ethanol and specifically the 45Z Credit, including what are your expected benefits this year and the following years?

Chris Cuddy:

It's a good question. Certainly policy for us and knowing what the policy is, - is important. So getting these RVOs out in public, I think for not only those of us in the biofuel industry, but for the obligated parties, knowing what the facts are going to be and the rules are always important for us, and helps us manage our plants and the supply appropriately. I think it's important for the farmers and what they're going to plant next year. So having that insight will be super important. Not only the domestic demand that we think will happen when the RVOs come out is important, but also what we've been seeing from exports will continue to drive, we think margin in ethanol. We had 13% growth last year in exports from 1.96 ish to 2.2 billion gallons. And so those are important markets for us outside of the United States that we continue to see our excess go into.

And I think that'll continue to grow as well. And some of the trade remedies that the current Administration has worked on, ethanol has been one of those tools that they've used. And so we've been appreciative of that as an industry. But there's no doubt, a little like Greg mentioned with half RINs] and other things, that having a biofuels policy that supports the US farmer and the US biofuels will continue to be important. 45Z is a tailwind for us and a lot in the industry. And so I think we'll continue to see that momentum when it comes to volume pushed out for people that can participate in the 45Z.

So I think not only will it be a tailwind, it could also limit margins from the extent that people run really hard because they have that 45Z. So I think two sides of that coin going forward. But without a doubt, it's important for the industry today, and certainly gives us support that we need. We've given guidance Sal of around a hundred million dollars in what we think the tailwinds are for 45Z. There is a lot of, I don't want to say unknowns, but things yet to iron out when it comes to prevailing wage that you have to pay to get 45Z, understanding the GREET model, and some other complications that I think just need to be sorted out before we have a little more clarity.

Salvator Tiano:

Okay. Now, you mentioned that the industry is probably running a little bit harder given the 45Z benefits. So since you brought it up, is this something that could become an issue in the next years, and is this perhaps the main reason why the weekly DOE data are so elevated in the past year?

Chris Cuddy:

I think that's part of it, but we've had good demand. It's February, and we have a nice margin environment, which I've been at ADM for 27 years, I've been in the biofuels for over 10, normally, February's tough, January's tougher. And we came into the end of last quarter with decent margins. January was tough, but we have positive margins in February. So that's setting ourselves up for a pretty nice year, and I think that's why you're seeing people run because they see good margins, now.

Salvator Tiano:

Yeah, perfect. And with regard to 45Z, do you have, again, I won't hold you to that, but any thoughts on what may be the plan of the Administration post-2029?

Salvator Tiano:

... or what would be ADM's plan, in case, for example, it goes the way of the Blenders Tax credit and not renewed. Could you switch to 45Q or it was a nice tailwind as long as it lasted, but doesn't change your base case?

Chris Cuddy:

Well, certainly it's going to be nice as long as it lasts, but for us, I mentioned earlier that we're tied into the Trailblazer pipeline in Nebraska. We do have the wells in Decatur, Illinois as well where I live. And so we have that ability to switch back and forth. If the Z goes away, we can still take advantage of the Q for both of those locations.

Salvator Tiano:

Okay, perfect. And can you remind us a little bit, I think it was a couple of years ago when 45Z first came to as part of the IRA bill, right? The plan I think was to sequester up to 7 million tons of carbon. You started with 1 million in Decatur. Is this still the plan, long-term, and where do you stand in that?

Chris Cuddy:

Well, we haven't put a cap on what we think we can do in Decatur. We've done about four and a half million metric tons life to date on the carbon capture wells that we have in Decatur. But I don't want to put a cap on what we think we can do, because we have permits in for more wells and it's a big part of our growth plan.

Salvator Tiano:

Okay, perfect. Moving to starches and sweeteners, that has been a segment that's a little bit harder for me to understand, so can you talk a little bit about that business key products as well as demand drivers? And mainly, how should we think about the price-cost mechanisms there?

Chris Cuddy:

So when you think about the sweetener and starch business, what I love about the franchise is just the optionality and the flexibility that we have. And I mentioned earlier about the "fight for the grind", and that's what we work on,- on an annual basis, on a quarterly basis, and frankly on a daily basis, how we manage price mix, product mix, plant mix. So it's important to us to pull those levers to maximize margin all the time. And that the role is for that group that's running that plant mix, product mix, customer mix, is to run the plants at the highest capacity utilization all the time. These are big plants, they need to run hard, and our goal is to run them hard.

Between the products we have in sweeteners and starches and of course ethanol, we do have more finishing capacity than we do front-endgrind, on purpose. So that allows us to run the plants at high capacity utilization. I would tell you, it's no secret what's happening in items like high fructose corn syrup. It's been on a decline for as long as I've been in the business, and kind of a one, one and a half percent decline [annually]. And I mentioned earlier how we've had a nice five-year run of a fairly stable earnings in this business unit, and the team's done a nice job of offsetting that with other things. Some of them are growth options, some of the things like ethanol that I mentioned at the beginning of last

year. Ethanol is one of the big items that we can lever up with when it comes to volume to keep the plants running hard, and I think that'll be something that you see here in 2026 and 2027, and the next several years given the 45Z. But what we also have in place is this growth engine, and I mentioned earlier decarbonization, precision fermentation, and bio solutions. And we think we're really set up in a nice space, given that we have low carbon intensity energy. And corn we think is one of the cheapest carbohydrate sources in the world that we have here in North America, so with those two things, we think we've got a nice growth platform that we're looking for items not only that we can produce today, but also meet enduring trends that will carry us into the future.

When I think about our decarbonization, we have a group in Decatur that's building a gas turbine for us. So today we make all of our own power in Decatur, they will make our power for us, and then we'll actually take the CO<sub>2</sub> off of the turbine and sequester it. So we'll have a low CI carbon, low CI energy, electricity and steam in Decatur, IL. So that's certainly something that we're looking forward to. We have a couple other projects around decarbonization. We've got more wells coming on, we hope to have more wells coming on, we've got permits in, we've teamed up with Super6 to bring in more CO<sub>2</sub> from other outlets within central Illinois and around the Midwest. We also have announced a deal with OCOchem to make chemicals from CO<sub>2</sub>. So these will be kind of startup plants, but certainly things that we think will eventually take hold.

Renewable natural gas is something that we continue to invest in around our complex on taking our waste streams and making renewable natural gas on them. So that fits in this decarbonization bucket. And then we're still keen on sustainable aviation fuel. We've been working on it for a few years and I think that at some point we'll find the magic technology and partner and capital route to get that to market, so I'm excited about that. The other thing we have in our space is precision fermentation, which again, given the low CI energy that we have and the cheap carbohydrate source of corn, we're keen on a lot of different items that we're working on with customers of ours and partners, to develop new and innovative items. Most of that via fermentation that will take the place of current things today that are either grown on the farm or petroleum-based.

And those are things that we are going after that we think are very practical, that are profitable, and important for us, too is scaleable. So these aren't kind of Petri dish little things that are onesie twosies. These are things that we hope that'll move the needle as we move forward. Bio solutions is another one that we've been working hard on, and that is really taking current products that we make in our plants and use them for industrial applications. So think corn sweeteners or dextrose that replace formaldehyde in fiberglass insulation as a binder. Think starches that help the wallboard in your house or the ceiling tiles in your office, to make them lighter and stronger so that the nails go in and don't pull out. Think even applications on plants, corn, soybeans, tomatoes, that help during periods of stress. So those are all the things that we're working on our BioSolutions group. And all of those combined, that the goal is that not only did they just fill in gaps from areas that are shrinking like high-fructose corn syrup, but that grow a lot faster than any of the declines that we see.

Salvator Tiano:

Perfect. Just one quick one. When you talk about the low-CI products, are you exploring also low-carbon corn, for example, things like that if they use low-carbon fertilizers in agricultural practices?

Chris Cuddy:

Yes. So it's one thing that Greg's team and our team work really well together. He runs our Regenerative Ag program that works directly with the farmers on capturing what their CI score is and understanding

how they can lower it. And then we run that through our value chain. We pay the farmer for that, and as well as we charge the end customer for those low-CI products.

Salvator Tiano:

Perfect. Last question on this segment is obviously the MAHA trend, I guess, right? There's been a lot of headlines and concerns about the need for reformulation moving away from sugar or at least high fructose corn syrup. So what are you actually seeing on the ground from your customers, and are you working towards pivoting your portfolio just based on the trends that we're seeing here?

Chris Cuddy:

MAHA, if I just think about demand in general, I mentioned we've had one, one and a half percent [annual decline] for the past two decades, and I think as an industry we've done a good job, and as ADM, in managing that decline either through plant rationalization or through the "fight for the grind" that I mentioned on precision fermentation, bio solutions, decarbonization. And certainly we have ethanol in our wet mills that allows us to pivot in and out. It's

... it's MAHA, it's GLP-1's it's food inflation. All of those things have impacted our customers that buy these products for us, and certainly the consumer sentiment around those. The last year, I would say in 2025, we saw a larger drop than we've seen in the last decade or so. Margins are still healthy. It's a volume issue that we saw last year. And our goal is to take all the things that I just mentioned around precision fermentation, BioSolutions and decarbonization, and use those as growth engines to replace that grind that we have for high fructose corn syrup.

Salvator Tiano:

Perfect. Thank you very much. So moving a little bit away from biofuels and to Ag Services, kind of the traditional bread and butter here for ADM. It looks like the environment has remained pretty soft for the past couple of years. So what are the levers that ADM has to pull to grow Ag Services earnings absent a weather event that would lead to higher margins?

Greg Morris:

So the Ag Services subsegment, so if you think about that, it's the North American Origination and Export business. It's North American Transportation. It's our South American Origination and Export business. It's our European Origination business, which is really more Eastern Europe, so think Ukraine, Romania. And then it's our global trade business, which is our group that manages the global trade flows of a lot of products and raw materials that come through the Ag Services network, but also out of Chris's plants and my plants. So when you look at what happened last year, we had record corn exports out of the US, but we didn't have China at the table to buy soybeans. And if you have solid corn exports and you have a Chinese bean program, that gives you the opportunity to surge and to really fill out capacity, which then leads to a better margin environment.

And so when you think about what's different going forward, we know that China's has been in and has satisfied the initial 12 million tons that they had committed to buy, so long as they're still committed to the 25 million tons for next crop year. We think about that as kind of a more normal buying pattern. And so if you put that on top of what's expected to be a solid corn export program, there's an improvement opportunity there from a year-over-year perspective in North American exports. I would say also we have a growing fertilizer distribution business in North America, where we bring fertilizers into New Orleans, transload it with our stevedoring business, put it in our barges that we've taken down the river that have emptied with grain at the Gulf. We load those barges with fertilizer, bring them back up the

river, and then distribute it to a number of different customers across the Midwest. That's a growing business. If you go to South America, one of the headwinds we had last year was with one of our export facilities in Barcarena. We had a barge that hit our facility. It took that facility down for most of the year. That facility is back up and operating now. So that's a positive as we think about 2026. If you go to Eastern Europe, unfortunately the war in Ukraine continues. That's been a challenged business. They continue to fight. And we're proud of the team over there for all they've done to maintain the business. It's a difficult environment, as you can imagine. So I don't see a significant change there. And then global trade has become, it's a pretty resilient model. It's not reliant on any one particular trade flow. They exist to try to create demand flow to support origin assets either in my group or Chris's group. And that business I think is going to continue to perform relatively well.

And so I would say the big delta is when I think about last year versus a go-forward time period is really North America and the opportunity we have to help support some of the trade deals that have been executed from the Trump administration, but also South America with the improvements, or the rebuild, or the repairs of the Barcarena port facility.

Salvator Tiano:

Perfect. I have one last question. Before that, just want to see if anybody from the audience has any questions. Okay. I think we're good. So the last one would be from a longer-term standpoint in AG Services and Commodities Trading. It looks like Brazil continues to structurally gain share, whether it's from higher crop acreage, higher yields. And I have to mention, we were very happy to visit your own facility at the Port of Santos in December. Thank you very much for hosting this. And I think it was a massive facility. I think if I remember correctly, you can load a Panamax a day. So given the structural trend and your bigger exposure, I guess North America, how are you seeing the future of Ag service for ADM? Do you need to pivot more toward other regions, or specifically Latin America? How do you work towards that?

Greg Morris:

Well, first of all, we're happy to host you, and that is a world-class facility and has a really solid team running that operation. We are definitely heavier in North America than we are in South America. That being said, we have an extremely solid team down there. I mean, it's been impressive what the Brazilian region has been able to do in terms of increased crop production. We know that when you have a significant increase in crop production, choke points happen, and those choke points become opportunities. So we've got a number of things that we're looking at that might allow us to grow our presence down there. What I like about Brazil though is you have the exportable surplus. You have a growing biofuels environment, both for ethanol and for biodiesel. You have lots of mouths to feed, both humans and animals. So you have a growing livestock industry and you have a large population. And those things together make Brazil an area of interest for us. And we know that we're underrepresented relative to the North American region that we operate in.

So I mentioned the crush expansions that we executed on last year and are finishing up this year. We continue to look at Brazil as an area that's ripe for us to do more in.

Salvator Tiano:

Perfect. Since we have a little bit more time, just if we can dig a little bit more on that subject and that area. So ultimately, there are a lot of logistics projects proposed. Whether you talk about some new highways or railroads. Is this helping your long-term planning, or could actually improve logistics be a

headwind for trading companies that essentially make a margin when they can add more value when things are tough? What do you think about that aspect?

Greg Morris:

Well, logistics in Brazil are definitely, they pose different complexities than elsewhere. You have a lot of grain that gets moved by truck. You have the rail facilities where you have product that gets accumulated and shipped by rail. You have the waterways to the north. That's an area that certainly as the crop grows, that area gets stressed. And so making sure that we have best-in-class execution on our logistics, making sure that we're managing that appropriately, and making sure that we identify the right opportunities where we might be able to participate are all interesting when you think about the continued growth and the land that Brazil has to continue to grow their crops even bigger.

Salvator Tiano:

Perfect. Well thank you very much Chris and Greg. That was very informative. So thank you again for attending.

Chris Cuddy:

Thank you.

Greg Morris:

Thank you.