

Virtual Fireside Chat with ADM's President of Nutrition | Barclays | June 2, 2026¹

Benjamin Theurer:

Good morning everyone and thank you very much for joining us today. I'm Ben Theurer, equity research analyst covering the Agribusiness sector here at Barclays. It is my pleasure to host today's investor webcast with the leadership of ADM's Nutrition business. I want to thank the ADM team for hosting me today at their flagship flavors plant in Erlanger, Kentucky.

With me today is Ian Pinner, Senior Vice President, President of Nutrition, and Chief Sales and Marketing Officer of ADM.

To frame today's conversation, I want to start with why this conversation and why now. Nutrition has become one of the most asked about parts of the ADM story recently and for good reason. After a period that tested the segment's resilience, we've seen a clear pivot. 2025 closed with operating profit growth of 8% and the first quarter of 2026 delivered strong year over year and sequential operating profit growth, a result that has investors asking whether this is a true inflection point or near term in nature. That's the heart of what we want to explore today. So I framed the session around the questions I'm hearing most from the investor community.

First, the trajectory question. Is the Nutrition business now structurally accelerating or are we looking at favorable comparisons? What's driving the underlying momentum?

Second and where we'll spend most of our time today, Human Nutrition. We want to go deep on the three pillars: Flavors, Specialty Ingredients, and Health & Wellness. Where's the growth coming from? How big are the addressable markets? And how durable are the tailwinds?

Third, the growth drivers themselves. Natural color conversion in the US, the protein opportunity, and what GLP-1s mean for plant-based protein demand, postbiotics, and the science behind BPL1™. The cross-sell flywheel between Flavors, Specialty Ingredients, and Health & Wellness. Is it real and is it showing up in the numbers?

Fourth, the integrated model. ADM has long talked about being structurally well-positioned. Origination to value added applications, one of the broadest pantries in the industry. We want to test that thesis. Where does it actually translate into wins?

And finally, the outlook. How is the team thinking about the balance of 2026 and into 2027? What should investors be watching as leading indicators and what are the risks?

Quick housekeeping note, today's discussion will include forward-looking statements and we'd refer you to ADM's most recent SEC filings for the relevant risk structures. Any non-GAAP measures referenced will be reconciled in the materials found on the company's IR website. So with that, let's get started, Ian, with an overview of ADM's Nutrition business. Could you break down the different business lines, highlight the key growth drivers providing momentum in Nutrition?

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Ian Pinner:

Absolutely. Yes. Ben, thanks for hosting this today and thanks to everybody for taking the time to join us on this webcast. It's good for us to be able to talk about Nutrition and as you say, to go a little bit deeper into Human Nutrition, but let's just frame up what is Nutrition in ADM to your first question.

So we're a \$7.5 billion dollar sales business unit within ADM. And if we think about Nutrition and having two, really, growth areas, we have our Human Nutrition business and then we've got our Animal Nutrition business segment. When you think about the capabilities of what we have in Nutrition, we're truly a global nutrition business unit. We've got 21,000 customers in 160 countries that we're serving on a daily basis and that's really the focus of our team. We're very customer-centric. And so if you think about how are we driving growth within the business unit, we've got a team of 12,000 talented people, of which over a thousand of our colleagues are spending time every day thinking about innovation and how we're driving new product development with our customers.

They do this in over 77 innovation centers around the world. And of course, that's serviced and it's powered by 150 manufacturing locations. And we have a very strong integrated capital line co-manufacturing network as well. So wherever our customers are looking to grow, we're able to support that growth with them as well. And if you think about the different businesses that we have in Nutrition, really just to break those down a little bit.

First of all, let's start with what we see as an addressable market. Our Human Nutrition business, which you mentioned, we think we have the opportunity of around \$34 billion. If you think about all the trends that we have today from lifestyle to science and functionality, innovation that we're bringing to the customers to drive, we've got protein and the demand that we see on protein today is probably just beginning.

First our businesses break down into Human Nutrition where we have our Flavors business. The Flavors business is compounding. It's growing on growth. And in addition to that, and we'll talk about it a little bit later, you already touched on this structural shift that we see here in North America on the opportunity to help our customers as they reformulate and then transition from artificial colors and flavors into natural colors and flavors, which is what our portfolio is fully aligned for.

We have our specialty ingredients business, which in the last couple of years has been a bit of a headwind on our business, but now we've built that business back and we've turned it around. The team's done a great job there. And we think about that in three areas. We have texturants, we have wholesome grains and ingredients, and then we've got protein. And that's probably the nutrition story of the decade with a \$5.5 billion addressable market that our business is poised to accelerate into.

And then there's Health & Wellness, and that's the fastest growing business that we have in Human Nutrition. So this is where you find prebiotics and probiotics and particularly, postbiotics. And we should talk about those a bit later as well and the expanding application that that gives us to bring our science-backed innovation into functional foods, functional beverages, into pet food, and even into animal nutrition solutions as well.

And you asked about animal nutrition too. Very pleased with the work that the team's done there over the last couple of years. We've been really focused on the portfolio and making sure that we're shaping our portfolio properly for the customers that we're targeting, but we talk as well about this pivot as

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we're pivoting into higher margin, higher growth opportunities as well as solutions for our customers. And we're on that journey now with that. So we've really got four engines there firing at once in the Nutrition business unit.

Benjamin Theurer:

All right, let's start then and digging in some of those and more details. So very helpful color here. On Flavors, you brought up the compounding growth and the opportunity in the natural colors in the US. Could we drill down into this?

Ian Pinner:

Yeah, for sure. Let's start with Flavors because I think it's important. This is where our colors business is housed in our global flavors business. We've been building this business now for the last 14 years with 12 years within ADM within the Nutrition business. Colors is, yes, we can sell single ingredients. It's a sticky relationship. It is where we're talking about full formulation capabilities. If a consumer product doesn't taste great, then no one's going to buy it again.

And so it's vital that the flavor gives that consumer product its identity in the marketplace. So you work on full formulations and reformulations and you have that, I suppose, traction and interaction with the customer that they then rely on as we go forward. And so that's why we talk about a compounding. That's growth on growth. And so we win them with our customers and then we work with our customers and we bring in new innovation and capabilities and then we grow again with those same customers.

In addition to that, you talk about colors. This is probably one of the most exciting structural shifts that we see in our market. The US is continuing to transition. There's a few things coming together there.

You've got consumer pull. Consumers are looking for clean label. They're not looking for artificial chemicals to put into their kids' foods and beverages. And so there's that natural pull as we think about healthier solutions coming from the consumer demand. That's then coming down through our customers, but there's also the push. You've got regulatory, I think push as governments are thinking about how we continue to reformulate our foods and our beverages for healthier solutions. When those two things come together, you don't get slow growth. It tends to happen fairly fast.

So we're very excited about the colors opportunity in the United States because we already have a very strong colors business globally. Some 10 years ago, we already worked with our customers in Europe to do the same thing, to solve the same problem and our team are experts in reformulation. So if you think about the opportunity, we frame it up as around a \$900 million revenue opportunity for natural colors just in the United States. And we think that we can deliver an \$80 to \$100 million operating profit opportunity over time as we work with our customers to convert from artificial to natural.

There's one other thing that I think is very important to point out here. These aren't drop in solutions. This is where our team really comes together to support the customer. And you take out something from a formula, you can't just put something back in and expect it to taste the same. The cost in use changes. You've got to think about shelf life and the capability, not just the color, but the flavor as well. And so it's a whole reformulation capability that we bring to the opportunity for the customer. And as well, the synergy there, because we might start with a color discussion but we might end up talking

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about flavors or functionality and how we bring that formulated solution together.

Benjamin Theurer:

Very interesting. Thanks for that. Now pivoting into one of the other segments, Specialty Ingredients. So first, can you give us an update on where you are with the Decatur East product and winning back third party customer relationships?

Ian Pinner:

Yeah, I think it's a great question. I think it's a question that's very much on investors' minds. I mean, the teams work very hard as we've rebuilt that plant and brought that back. Just to frame it up, if you think about the sort of drag that we had on the P&L in nutrition and in Specialty Ingredients, it was about \$20 to \$25 million a quarter of opportunity cost. About half of that was in the operation and the lack of economics of the vertically integrated supply chain that we have with our Ag Services & Oilseeds business unit and the other half was from a lack of being able to service our customers because they had to go somewhere else to find alternative suppliers. So I think the headline here, and I think it's very important, is that Decatur is back. The team's got the plant running, the plant is running to how we've designed it to run.

And so those economics from the vertically integrated supply chain are now in place and we're enjoying that. And so you're seeing specialty ingredients already transition to what was a bit of a drag on our supply chain and our P&L into a meaningful contributor and some of that's already coming through and you saw that in our Q1 numbers.

And then on the build back, it takes time to win back customers. The trust, we've been at this for over 40 years. We feel confident that over time we'll be able to do that. Our team is working hard to do that. One of the things that gives us confidence is that we have a premium product indicator that's sought after by customers. And then the other thing I think to think about with, especially with the ingredients, and we talked about this last year, particularly in protein, is how we announced a bit of a reorganization and restructure of our supply chain from a global perspective as well. So that's also starting to come through as you think about how we're operating a global footprint more effectively and efficiently for protein.

Benjamin Theurer:

All right. And can you help us maybe unpack what are the key products within Specialty Ingredients and where we go from here?

Ian Pinner:

Yeah, yeah, for sure. So we talked about texture. If we think about addressable markets, texture's about \$2 billion of total addressable market for us. In there, you've got products like sorbitol and then you've got emulsifiers like lecithin, two main products. We've got a wholesome grains and ingredients business there. That's another \$2 billion of addressable market. Some of that's going to come through in things like snacks, bars, seeds, grains. And then we've got, I think I mentioned it before, I think this is the nutrition story of the decade. We have our protein business. Protein really leads with soy and pea. We do have other capabilities in our portfolio, but those are the most important ones. And then when we

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think about the TAM for our proteins business, we think about a north of \$5 billion total addressable market for proteins. I think the other thing to think about with proteins, and this is why we get so excited about it, is that it's got four, I think, key opportunities that are giving you some pretty strong tailwinds.

Three of those are very structural and one of them is perhaps a little bit more cyclical. If you think about just general population growth and the demand for protein as we go forward, we're going to see incremental growth there from a sort of GDP plus type perspective. And then think about just the consumer shift. We've got consumers looking for more healthier natural diets and there's more protein demand coming from the consumer in general. And then we've got the GLP-1 story and I think that's probably the most underestimated opportunity. We call it structural. And I think the markets are just starting to realize that, think about just today, you can't open a journal without talking about how protein is in so much demand. So we're seeing that pull from our customers and our teams are innovating with customers to help meet that demand.

That means a lot of reformulation, which our team is very good at, or it could mean new products that we're bringing to the market for our customers to launch to consumers. And then in addition to that, we're just seeing elevated protein prices and this is probably more cyclical. When meat and dairy are expensive, you're going to see vegetable protein get a second look. And so we're also seeing that as a real conversation today with our customers as they're thinking about reformulation and cost in use. And so we're working with our customers to help there.

Benjamin Theurer:

Perfect. To wrap it up on the pillars, moving on to the Health & Wellness piece. So can you unpack Health & Wellness for us? What are the key products, addressable market, and maybe a little bit just what drives us forward and the margin momentum?

Ian Pinner:

Yeah, very much so. And I mentioned earlier, so Health & Wellness is our fastest growing business in the human nutrition segment. Think about Health & Wellness as prebiotics, there's like functional fibers that are science backed. We've got probiotics, which of course everybody knows, they enjoy them in their yogurts, but then as well, postbiotics. And we see that as really the beginning of a very, very long growth journey for the Health & Wellness business.

And so if you think about addressable markets, probiotics and postbiotics together is about \$3 billion of TAM. What we are very proud of being able to do is bring science backed capabilities to our functional ingredients. And so what you'll see when you look at our products like BPL1™, which is science backed, we've got 15 published journals, sorry, Ben, 15 published journals to demonstrate the efficacy of this product that is about metabolic health.

And then it's the same with the Fibersol®. So we're about science-backed ingredients that we can bring to the market. We're already very strong in supplements, but the long runway that we see here, I think is twofold. And if you think about consumer demand and how consumers are looking for more health, more wellbeing, not just in supplements, but also in their nutrition and their beverages. So we've got the consumer pull, but then in addition to that, we've got the ability to shift into new formats, particularly with postbiotic. So postbiotic is heat stable. So it allows us to think about many more applications and a

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much broader long-term addressable market as you move out of supplements and premium products and more into beverages or to foods or to pet treats or even into livestock.

Maybe let's bring it together with a little customer story. We had a customer that was looking to take soda into the more healthy, better for you segment. And so they came to us to think about how can they bring this together as a single formulation? You can't get that kind of thing as a single ingredient. And so not surprisingly, we brought together our natural colors and our natural flavors. And then our CD&D team, this is where we create, we design and we develop full formulas for our customers to be able to launch as branded products to consumers. So they formulated in Fibersol[®]. And now you have a prebiotic coming into this product and then they brought in BPL1[™] as part of the formulation. So now you've got a product that can call out not just digestive health, but metabolic health as well. And then of course for the natural colors and natural flavors. And our team then took that forward and scaled it in their business.

That's a multi-segment, multi-opportunity from our perspective. You get higher margins, you get more stickiness, and you get the opportunity then to work on newer products, more innovation, and LTOs (Limited Time Offers) as well. So we're excited about where we can go with Health & Wellness in the long term.

Benjamin Theurer:

Fantastic. Well, you have a little bit of pivot already into pet, so I have to ask one question on Animal Nutrition as well. So thanks first of all for the detail on Human Nutrition. Can you give us, within Animal Nutrition, just an insight on how we should be thinking about the contribution of the Alltech JV on your results and then how we can expect you guys to pivot to a higher margin profile?

Ian Pinner:

Yes. And I'll just mention again, the team's done a good job there, particularly for a portfolio. In Nutrition, we're very, very focused on portfolio shape, the right assets to be able to continue to grow in the right way with our customers. So you see that in Animal Nutrition and our pet business as well. The joint venture is something that we did to really unlock value in our existing portfolio. We took our US feed plants, we combined them with Alltech's North American feed plants. And then what I think is interesting from a model perspective is that Alltech is running that joint venture. So it frees up our management, our leadership, our capital to be able to leverage into what we consider to be more strategic, higher growth opportunities for us. And then at the same time, enjoying those synergies as the partnership comes together with Alltech and that business then is very focused in growing in the complete feed markets in the North American segment.

And so I think you'll see that come alive in the later years, '27, '28, as they bring the joint venture together and get more organized around that. But as well, you've seen us exit pockets of unprofitable growth in our Animal Nutrition business last year and you're seeing some of that come through as well with the momentum of our numbers when you think about our 2026 Q1, and then I think you should expect a stronger second quarter versus the Q1 that we delivered already this year.

Benjamin Theurer:

All right. Talking about the numbers, let's bring it back to numbers maybe on Human Nutrition because

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we haven't talked about that. Can you let us know what you expect in terms of long-term growth revenue and the long-term operating profit within Human Nutrition?

Ian Pinner:

Yeah, absolutely. Yeah, that's a good question. So when we think about the opportunity on average with Human Nutrition, I think you've got to be thinking about mid-single digit revenue growth. And then from a margin perspective, we're going to be doing better than that on average as we leverage the opportunity that we have across the business, all the things that we just discussed and this growth opportunity, but as well, how we're very, very focused on operational excellence, innovation, and go to-market excellence, which is allowing us as well to think about how we widen our margins in the business unit.

Benjamin Theurer:

Okay. Now digging in and we've talked about it, I mean, there's obviously Flavors, Specialty Ingredients, and the Health & Wellness piece. So what kind of margins are you forecasting for each of those three pillars within Human Nutrition?

Ian Pinner:

There's a question. So I think it's the right question, Ben. Think about Flavors margins as being there with our peers. It's competitive with the peer set from a Flavors perspective. And then if we benchmark from that, the Specialty Ingredients business, we've had a trough because of the last two years. So that's one that we're going to bring those back to where we want them to be. And then for Health & Wellness, you should consider that the same as Flavors, if not better as we go forward. And we leverage that differentiation we have with our science-backed technology with our customer.

Benjamin Theurer:

Okay, all right. Obviously when it comes to Nutrition, we have to talk about M&A because there's been a lot done within the segment over the last couple of years. So how should we think about your approach to M&A right now within particularly Nutrition and I would say focus probably on Human Nutrition?

Ian Pinner:

Yeah, I think so. I mean, Animal, we've been working a lot with our portfolio. You've seen some of those things come together and we have been acquiring pockets of opportunity, particularly in Asia where we're seeing good growth there. On the Human Nutrition side, we've made a lot of investments over the last 10 to 12 years as we've shaped our Human Nutrition portfolio. You think about some of the things that we've done, which are very much in scope, moving into these biotics, buying Deerland and advancing our capabilities there. But then we've got scale as well where we've already got a strong Flavors business, but we've bought businesses like Revela, which then moves us into dairy flavors to bring our full formulation capabilities to life there as well. We've got pockets that we're looking to grow, but we're very focused on our organic growth plan as we look to leverage more earnings from the assets that we already have. That said, I think things that are going to accelerate us or differentiate us are always going to be on our radar and we'll continue to be opportunistic when it comes to M&A opportunities.

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Benjamin Theurer:

Okay, perfect. Well, very informative. Thanks for that, Ian, and also thanks for spending some extra time with me this morning. Any final comments before we wrap it?

Ian Pinner:

Yeah. Well, thanks again for your time and thanks again for everybody that took the time to listen today. I think maybe just to reframe what we're discussing here and particularly around Human Nutrition, I think you should think about Flavors as compounding from a growth perspective and we're really just scratching the surface of the real time events here when we think about the color opportunity and this \$80 to \$100 million of operating profit that we see being the opportunity for our US-based business over the coming years. We've really worked hard to turn around the Specialty Ingredients business, and so that's building back and it's gone from a drag on our P&L now to being a meaningful contributor, and you're starting to see that and the momentum coming through our numbers.

And then for Health & Wellness, we talk about it really just getting started. We've been doing this for 10 years and we've been investing in these businesses for some time now to build this science-backed capability that we have. And so you'll see that as our pipeline, which is very synchronized to things like mood, sleep, longevity, coming through to our customers, bring that functionality to our customer base. And then I think on Animal Nutrition, we continue to pivot, we've reshaped the portfolio and now we've got some momentum as we pivot that into faster growth, higher margin opportunities. So think about four engines in Nutrition all firing together at the same time right now, gives us good momentum as we move forward through 2026.

Of course, the back half, we're thinking about inflation, we're thinking about interest rates, we're thinking about consumer behavior and customer behavior, but we're very focused on the things that are in our control. And when we think about Nutrition, we're focused on operational excellence, on innovation, and on go to-market excellence and that's where our team is paying their attention to. And I'd also like to take the opportunity to thank the team, the 12,000 colleagues in Nutrition, the efforts that they've put into building back this strong foundation that we're now going to grow from, I think is excellent and they work very hard every day for our customers, putting them in the center of everything that we do.

Benjamin Theurer:

Perfect. I would say that's a wrap, Ian. Thank you very much once again and we'll see you soon for the next chat. Thank you very much.

Ian Pinner:

Thank you very much, Ben. We appreciate it.