

Global Consumer Trends Driving Market Growth

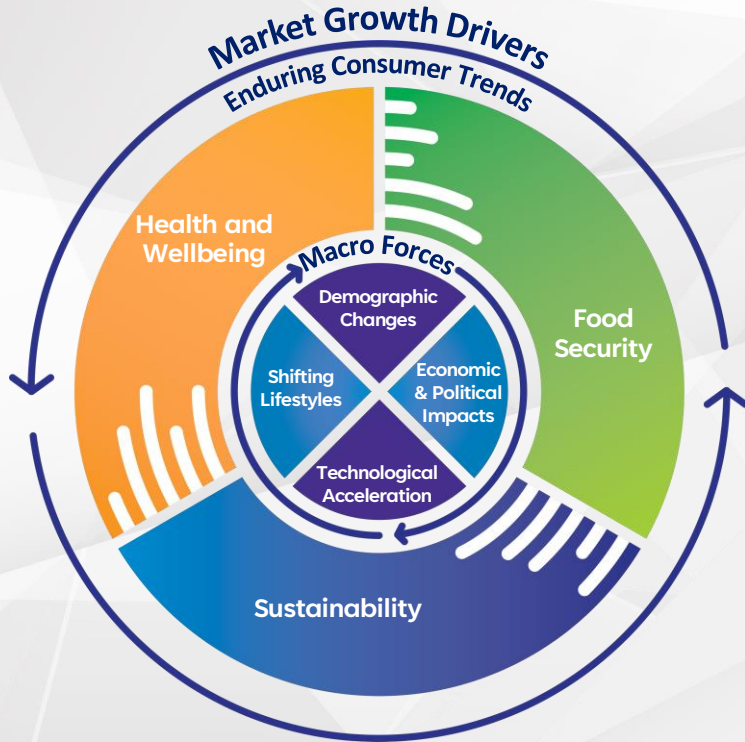
Global macro forces, the lingering pandemic, and new and rising social and economic tensions continue to cause individuals to evaluate and adjust their priorities. **Consumers are rethinking what is truly important** to them – what they value, what they choose to prioritize, and what they expect from others – in life and in their consumption choices.

As companies shift to manage increasing expectations around **health and wellbeing, sustainability and food security**, they look to signals in the marketplace to determine the relevance and evolution of key consumer driven trends.

While there are a number of opportunities to which companies should pay attention, we have identified **eight of the most important market growth drivers** that point the way for innovation and renovation, now and into the future.



Global Trends Framework



8 Market Growth Drivers



Balanced Wellness



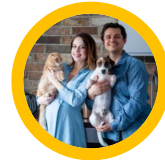
Expanded Protein Choices



Proactive Personalization



Social Impact



Modern Pet Parenting



Earth-Friendly Production



Trust & Traceability



Experiential Eating

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Balanced Wellness

Consumers' approach to health and wellbeing is increasingly intentional and mindful – with the goal of achieving balance across all parts of life, from the physical to the spiritual. They are more aware of how body performance, energy, keeping healthy and just “feeling good and happy” are attained through a synergistic approach to health and wellness—with an emphasis on eating well and a deep connection between physical and mental health.



Growth Opportunities

- Inherently functional and sustainably sourced ingredients
- Nutrient-dense products specifically designed for vulnerable populations, including children and the elderly
- Purposeful indulgences (better-for-you and others) that allow for mental and physical self-care
- Sugar avoidance/reduction solutions via high quality, real food ingredients like fiber that align with wellness goals
- Value-oriented, widely available and scientifically studied wellness products to promote inclusiveness and trust



Why ADM?

A Winning Edge

- Fully integrated wellness solutions from ingredient to market-ready finished products
- Expansive portfolio of innovative, differentiated, and future-forward dietary ingredients designed to meet the emerging needs of wellness-seeking consumers (e.g., dietary fibers, functional botanicals, resistant starches, low/no calorie sweeteners, etc.)
- Wholesome nutrition solutions, powered by a wide array of ancient grains, beans, pulses, nuts & seeds, and organic offerings
- Best-in-class taste and texture modulation for consumer preferred and delicious products



Proactive Personalization

Consumers have moved away from a 'one size fits all' approach to wellness and eating, toward one that prioritizes individual differences. Awareness of the microbiome's connection to mental wellbeing and immune function is leading to a stronger demand for 'better for me' solutions. But beyond wellness, personalization is also about individual motivations and needs around taste, culture, discovery and eating approaches that align with one's lifestyle.



Growth Opportunities

- Tech-enabled, hyper-specific recommendations and solutions for a range of specific conditions, health needs and consumer segments (e.g., gut health, women's health, gamers, kids, etc.)
- Personalized diagnostic services, ongoing tracking and tailored nutrition advice for customized solutions
- Sustainably sourced foods and beverages and ingredients that align with a range of lifestyle diets
- Customizable flavors and textures to appeal to individual taste preferences
- Skin care and beauty products for a range of races and ethnicities, allergens/sensitivities and ages



Why ADM?

A Winning Edge

- Proprietary microbiome solutions tailored specifically for consumers' most requested health optimization goals
- In-house research and discovery of novel pre-, pro-, and postbiotics; pioneer within the postbiotic area, allowing for unrivaled formulation flexibility in supplements, food and beverage, utilizing our proprietary BPL1™ Postbiotic
- Vast array of functional ingredients to blend and tailor towards personalized, science-backed functional health solutions targeting specific health needs
- Technical & formulation expertise to deliver market-ready solutions for lifestyle diets (e.g., reduced sugar, gluten-free, keto, vegan, etc.)



Experiential Eating

Consumers desire new experiences and are finding adventure through food, discovering new flavors, textures and colors via unique spices and botanicals, nuanced culinary preparation methods, and global/regional recipes with authentic flavor profiles. They also find comfort and pleasure through playful brands or nostalgic and indulgent foods that have been upgraded to align with modern values around health, functionality and sustainability.



Growth Opportunities

- Highlight the links between foods/flavors that offer both pleasure and wellness, especially on the emotional side
- Seasonal and limited time offerings to invite excitement, while also inspiring a sense of urgency
- Democratize experiential products via affordable pricing and inclusive virtual activities through strategic partnerships
- Authentic narratives, regional specificity, and products linked to a locale and rooted in tradition
- Promote participation via products that inspire co-creation (e.g., through contests or feedback)
- Pique consumers' interest in the "sober curious" movement via fun flavors and botanicals



Why ADM?

A Winning Edge

- Long heritage in colors, flavors, and fruit & vegetable preparations responsibly sourced from nature to deliver authentic and fantastical experiences
- Culinary expertise, formulation know-how and a close pulse on cultural trends as the foundation to create on-trend, exceptional eating experiences in clean-label-friendly solutions
- Pantry of foundational ingredients to serve as the basis for culinary inspiration, including sweeteners, proteins, flours, starches, texturants, fats and oils
- Holistic approach to flavor and taste modulation expertise to optimize the experience of better-for-you products
- Innovation centers around the globe where our chefs create authentic solutions adapted to regional palates



Expanded Protein Choices

Conscious consumers are opting for a flexitarian approach to eating that puts choice at the center of their search for a more resilient food system that aligns with their needs related to positive nutrition, sustainability, and exploration. Plant-based reflects ideals around a balanced approach to eating that also incorporates variety, while precise and responsibly fed animal-based products are increasingly seen as addressing food quality and nutrition while also increasing efficiency for farmers.



Growth Opportunities

- Affordable and easy-to-prepare alternative proteins to create more inclusive and accessible end products
- Future-proof fermented, plant- and cell-based products via simple processing, positive nutrition and ethical production
- Focus on real, simple ingredients as consumers aspire to 'whole-food health' in plant-based meat and dairy alternatives
- Tailored animal nutrition for specific health or regional needs with science-backed, species-specific optimization
- Highlight narratives of animal nutrition and welfare which result in a healthier, higher quality product for the consumer
- Transparent sourcing and production methods that speak to food safety and sustainability



Why ADM?

A Winning Edge

- Expertise in high-performing plant-based alternative proteins for both human and animal nutrition
- Regionally-sourced pantry of diverse alternative proteins and nutrient-dense ingredients to offer multisensorial taste & texture
- Flavors for full solutions in plant-based capabilities for meat and dairy replacement, as well as specialized nutrition formulations
- Deep knowledge of feed additives and ingredients as well as the nutritional needs of animals for optimization
- Improvement of the nutritional profile and organoleptic quality of end-animal products
- Holistic approaches for the reduction of antibiotic use and alternative means to support animal health and welfare
- Lower cost of production through tailored feed solutions



Trust & Traceability

To garner trust among consumers, it has become increasingly important that traceability efforts communicate not only what is in a product but where the ingredients were sourced, how the product was produced/processed, who made it and under what conditions. Driven by a demand for transparency and food safety, consumers desire a connection to the food they eat and the communities they support.



Growth Opportunities

- Raise the baseline standard of clean ingredient panels by speaking to the entire supply chain
- Promote kitchen level ingredients that are simple and recognizable
- Highlight connections to indigenous farming practices and global culinary traditions; incorporate narratives of provenance
- Leverage advanced technologies (QR codes, Blockchain) to feature safety and sustainability standards
- Enhanced documentation and digitization of production practices to support traceable animal feed agriculture and husbandry



Why ADM?

A Winning Edge

- Broad range of pantry solutions focused on simple, recognizable ingredients, minimal processing, no artificial ingredients and organic and non-GMO sourcing
- Transparent policies and commitments that prevent deforestation and human rights violations
- Remote satellite monitoring to ensure socio-environmental commitments are being complied with by suppliers and partners
- Traceability program to ensure compliance with current legislation related to social sustainability



Earth-Friendly Production

Consumers are articulating heightened concerns about a range of environmental issues related to climate change, pollution, reliance on fossil fuels, resource use, packaging, plastics and agriculture. They are demanding innovative, technology and technique-driven solutions that go beyond merely minimizing waste and resource use to restoring and rebuilding the environment, all of which are sustainable solutions they perceive as safer and healthier for themselves and the planet.



Growth Opportunities

- Demonstrate a commitment to sustainability by communicating measurable goals, metrics and milestones
- Products that help restore local ecosystems, mitigate climate change and support the reduction of food waste
- Regenerative messaging that speaks to soil health and biodiversity, and benefits to personal health, farmers and the planet
- Highlight methane-reduction solutions and the role of animal feed/husbandry in responsible ecology and aquaculture
- Convenient sustainable packaging solutions that improve user experience and match the quality of the product inside
- Circular economy infrastructure focused on resource conservation, zero-waste production models and innovation that works towards reduced reliance on fossil fuels



Why
ADM?

A Winning Edge

- Over 13,000,000 acres of ADM's supply chain involved in sustainable agriculture projects and programs
- ADM's integrated supply chains offer a unique opportunity to help customers achieve their own climate goals
- Longstanding history and track record of investments in technology and partnerships for production of plant-based materials
- Industrial biosolutions providing plant-based solutions for industrial applications to reduce reliance on fossil fuels
- Animal nutrition services (formulation, innovation and training) to enhance efficiency and sustainability

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Social Impact

A series of recent global events has highlighted the need for greater social equity as more consumers use their voices and purchasing power to challenge the status quo. Today, social responsibility not only extends to all people and animals throughout the supply chain but also to the accessibility of the product for the end user. Consumers are pushing for positive change to support farmers' and workers' livelihoods, economic stability of communities, humane treatment of animals and social justice.



Growth Opportunities

- Highlight fair compensation and support for farmers to connect consumers to producers across the world
- Combine equitable sourcing narratives with modern wellness cues
- Ensure inclusivity and diversity throughout the supply chain and all the way to the end user
- Democratize socially responsibility with affordable and accessible products
- Connect animal care and feed to conscious consumption – including optimal nutrition for the animal, health for consumers and resource management for the ecosystem



Why ADM?

A Winning Edge

- Support for farmers' economic stability by lowering the cost of production through tailored nutrition, including women's empowerment
- Responsible sourcing practices to enhance local communities' access to clean water, sanitation and sustainable agriculture practices
- Social responsibility and community care across our portfolios; a focus on internal diversity, equity and inclusion
- ADM Animal Care and Use Committee ensures that the animals involved in animal nutrition research are cared for properly



Modern Pet Parenting

Consumers' relationships with their pets is deepening as households elevate pets' status and consider them family members that also provide emotional wellness support. The increasing personification of pets and their needs has led to a widespread belief that pets' lifestyles, health care, and nutritional needs mirror our own, including the notion that mental and emotional wellbeing, gut health, physical exercise, and food are all interconnected.



Growth Opportunities

- Proactive and personalized nutrition/supplements with functional benefits for both physical and mental health
- Science-backed, real-food solutions for proactive health management with species-specificity
- Health-promoting indulgent treats and pet food toppers for emotional wellbeing and targeted nutrition
- Incorporation of culinary attributes and quality production cues; novel proteins that bring sustainability cues and tailored nutrition
- Products and services that help pet parents sustain caring bonds and rituals



Why ADM?

A Winning Edge

- Vast array of wholesome and science-backed, functional ingredients tailored to health-forward pet offerings and solutions
- Solutions that consider species-specific dietary needs to maximize companion animals' health for the long term, including a wide range of functional and tailor-made pet food and treat solutions
- Range of pet food brands that deliver enhanced performance and optimal nutrition to all types of companion animals
- Industry leading Animal Nutrition Technology Center for enhanced collaboration