

Bunge Global

Fourth Quarter 2025 Earnings Release and Conference Call

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CORPORATE PARTICIPANTS

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Greg Heckman - *Chief Executive Officer*

John Neppl - *Chief Financial Officer*

PRESENTATION

Operator

Good day and welcome to the Bunge Global Fourth Quarter 2025 Earnings Release and Conference call. All participants will be in the listen only mode. Should you need assistance, please signal a conference specialist by pressing the star key followed by zero.

After today's presentation, there will be an opportunity to ask questions. To ask a question, you may press star then one on your telephone keypad. To withdraw your question, please press star then two. Please note this event is being recorded.

I would now like to turn the conference over to Mark Haden. Please go ahead.

Mark Haden

Great. Thank you, and thank you for joining us this morning for our fourth quarter earnings call. Before we get started, I want to let you know that we have slides to accompany our discussion. These can be found at the Investor Center on our website at Bunge.com under Events and Presentations. Reconciliations of our non-GAAP measures to the most directly comparable GAAP financial measure are posted on our website, as well.

I'd like to direct you to slide two and remind you that today's presentation includes forward-looking statements that reflect Bunge's current view with respect to future events, financial performance, and industry conditions. These forward-looking statements are subject to various risks and uncertainties. Bunge has provided additional information in its reports on file with the SEC concerning factors that could cause actual results to differ materially from those contained in this press release, and we encourage you to review these factors.

On the call this morning are Greg Heckman, Bunge's Chief Executive Officer, and John Neppl, Chief Financial Officer. I'll now turn the call over to Greg.

Greg Heckman

Thank you, Mark, and good morning, everyone. I want to start this morning by thanking the team and recognizing their extraordinary work around the world, both throughout 2025 and as we move into 2026. This past year was one of execution, investment, and integration, all in a market environment that demanded agility and discipline. In 2025, we reached a major milestone with the completion of our Viterra combination. The integration work our teams accomplished has been exceptional, and we remain highly engaged and excited about the progress we are continuing to make together.

Building on a foundation of cultures that were already aligned on doing what is right for customers, this combination brings both organizations together within our proven end-to-end value chain operating model, removing complexity and strengthening shared goals. As a result, we've increased connectivity and the flow of information across our combined organization, a crucial component to how we operate.

As I've said before, it's our competitive advantage to have great people across the organization having the same information at the same time and working toward unified objectives. This alignment is already delivering results. We are unlocking synergies in origination, merchandising, processing, and distribution, optimizing flows between origin and destination, and capturing margin through improved logistics and better coordination.

For example, previously, Viterra's origination activities in most regions would have been managed purely through a merchandising lens, leveraging a nimble platform built to operate on short lead times. Today, people managing the same network of elevators are now making decisions with a more complete picture of our global platform, taking an integrated view that balances speed with longer-term considerations. This not only allows us to keep our processing and refining plants running at high capacity, but also results in more profitable outcomes for both farmers and consumers.

We have capabilities today that we didn't have before, and we're just getting started. These types of benefits are durable and will compound over time. We will provide more details on synergy capture, capital allocation priorities, and our combined long-term outlook at our Investor Day on March 10.

And while we've been integrating Viterra, we've also been working to advance our large greenfield projects, navigating trade flows, policy uncertainty, and geopolitical volatility, all while staying focused on connecting farmers to end-market demand across food, feed, and fuel.

Shifting to our operating performance, our fourth quarter reflected higher results in all our segments, driven by strong execution and our expanded footprint and capabilities. John will go into more details in a moment.

Externally, the environment remains complex with limited forward visibility. Geopolitical tensions, evolving trade flows, and uncertainty around biofuel policy, particularly in the U.S., continue to influence farmer and consumer behavior. Based on what we can see today in the current environment and forward curves, we expect full year 2026 adjusted EPS in the range of \$7.50 to \$8.

And with that, I'll turn it over to John for more details on our financials and outlook.

John Neppl

Thanks, Greg, and good morning, everyone. Let's turn to the earnings highlights on Slide 5. Our reported fourth quarter earnings per share was \$0.49 compared to \$4.36 in the fourth quarter of 2024. Our reported results included an unfavorable mark-to-market timing difference of \$0.55 per share and an unfavorable impact of \$0.95, primarily from notable items related to the settlement of our US defined benefit pension plan, Viterra transaction and integration costs and an impairment of a long-term investment.

Prior year results included a net positive impact of \$0.98 from notable items, primarily related to the gain on the sale of our sugar and bioenergy joint venture, partially offset by Viterra transaction integration costs. Adjusted EPS was \$1.99 in the fourth quarter, which included approximately \$50 million of net tax benefits, versus \$2.13 in the prior year. Adjusted segment earnings before interest and taxes, or EBIT, was \$756 million in the quarter versus \$546 million last year, with all segments showing higher year-over-year results.

In the soybean processing and refining segment, slightly higher results were primarily driven by South America, reflecting higher processing and refining results in Argentina and Brazil. In the destination value chain, lower processing results in Europe and origination in the Americas were partially offset by improved results in Asia. Results in North America were lower in both processing and refining.

Higher processed volumes were largely attributed to the company's expanded production capacity in Argentina. Higher merchandise volumes reflected the company's expanded soybean origination footprint.

In the soft seed processing and refining segment, higher results were primarily driven by better average processing margins and the addition of Viterra's soft seed assets and capabilities. In North America, higher results -- higher processing results were partially offset by lower results in refining.

In Europe, results were higher in processing and biodiesel, but lower in refining. In Argentina, results were higher in processing and modestly higher in refining. And results in global soft seeds and global oils merchandising activities also increased, reflecting strong execution.

Higher soft seed process volumes primarily reflected the company's increased production capacity in Argentina, Canada, and Europe. Higher merchandise volumes were driven by the company's expanded soft seeds origination footprint.

For other oil seeds processing and refining segment, improved results reflected stronger specialty oils performance in Asia and North America, along with higher global oils merchandising activity. Results in Europe were in line with the prior year.

In the grain merchandising and milling segment, higher results were primarily driven by global wheat and barley, as well as wheat milling, partially offset by lower results in global corn and ocean freight. Our volumes were primarily reflected in the company's expanded grain handling footprint and capabilities along with large global grain crops. Prior year results included corn milling, which was divested in the second quarter of 2025.

The increase in corporate expenses was primarily driven by the addition of Viterra. Higher other results primarily reflected our captive insurance program, partially offset by \$10 million of prior year income from the sugar and bioenergy joint venture that was divested in the fourth quarter of 2024. Net interest expense of \$176 million was up in the quarter compared to last year, reflecting the addition of Viterra, partially offset by lower average net interest rates.

Let's turn to Slide 6, where you can see our adjusted EPS and EBIT trends over the past five years. The recent performance trends reflect less volatility due to more balanced global supply and demand environment, particularly in grains, and the impact of ongoing trade and biofuel uncertainty that has created a very spot transactional market environment.

Slide 7 details our capital allocation. For the full year, we have generated just over \$1.7 billion of adjusted funds from operations. After allocating \$485 million to sustaining CapEx, which includes maintenance, environmental, health, and safety, we had approximately \$1.25 billion of discretionary cash flow available. We paid \$459 million in dividends and invested approximately \$1.2 billion in growth and productivity-related CapEx. We received approximately \$1.2 billion of cash proceeds from the sale of a variety of assets and businesses, and we also repurchased 6.7 million Bunge shares for \$551 million. This resulted in \$173 million of retained cash flow.

Moving to Slide 8, year-end net debt excluding readily marketable inventories, or RMI, was approximately \$700 million. The recent change versus history reflects the impact of the acquisition debt assumed and issued related to Viterra. Our adjusted leverage ratio, which reflects our adjusted net debt to adjusted EBITDA, was 1.9 times at the end of the fourth quarter.

Slide 9 highlights our liquidity position, which remains strong. At year end, we had committed credit facilities of approximately \$9.7 billion, of which approximately \$9 billion was unused and available, providing ample liquidity to manage the ongoing capital needs of our larger combined company.

Please turn to Slide 10. For the trailing 12 months, adjusted ROIC was 8.1%, and ROIC was 6.9%. Adjusting for construction and progress on our large multi-year projects and excess cash on our balance sheet, our adjusted ROIC would increase to 9.3% and ROIC to 7.5%. As a reminder from last quarter, we decreased both our weighted average cost of capital and adjusted weighted average cost of capital from 7% and 7.7%, respectively, to 6% and 6.7%, respectively, reflecting the recent upgrade in our credit rating, change in capital structure of the combined company, and lower interest rate environment. Importantly, we're not lowering our long-term investment return expectations.

Moving to slide 11, for the year, we produced discretionary cash flow of approximately \$1.25 million, similar to the prior year, and a cash flow yield or yield -- or cash return on equity of 9.4% compared to our cost of equity of 7.2%.

Please turn to Slide 12 on our 2026 outlook. Taking into account the current margin and macro environment and forward curves, we forecast full year 2026 adjusted EPS in the range of \$7.50 to \$8. As Greg mentioned in his remarks, the environment remains complex with limited forward visibility, particularly related to US biofuel policy. As a result, we believe the curves do not properly reflect what opportunities should develop during the year once the policy is finalized.

Additionally, we expect the following for 2026 - adjusted annual effective tax rate in the range of 23% to 27%, net interest expense in the range of \$575 million to \$625 million, capital expenditures in the range of \$1.5 to \$1.7 billion, and depreciation and amortization of approximately \$975 million.

With that, I'll turn things back over to Greg for some closing comments.

Greg Heckman

Thanks, John. So before we go to Q&A, I want to just offer a few thoughts. Through our disciplined execution, portfolio optimization, and strategic investment, we have reshaped this company into a more agile, diversified, and resilient Bunge. We've overcome multiple obstacles, including geopolitical shifts that continue to reshape global trade flows. Yet through all of that, our team has executed, adapted, and delivered.

Those experiences have only strengthened our confidence in our ability to succeed going forward. With the addition of Viterra, we now have greater reach across origins and destinations, deeper insight into global flows, and more capability and optionality to serve customers and manage risk. We are still on a transformation journey, and continuous improvement is part of who we are. At the same time, our Bunge team is operating from a position of greater strength than at any point in our history.

We've never been in a better position, never been more needed, and never been more prepared — thanks to our people and the global infrastructure we operate. And we look forward to sharing more on the opportunities ahead of us at our Investor Day on March 10.

In the meantime, I'll close by saying, as we look ahead, I'm confident that the capabilities we've built will allow us to deliver value in any environment while continuing to connect farmers to the markets that sustain communities and feed the world.

With that, we'll turn to Q&A.

QUESTION AND ANSWER

Operator

Thank you. We will now begin the question and answer session. To ask a question, you may press star then one on your telephone keypad. If you are using a speakerphone, please pick up your handset before pressing the keys. If at any time your question has been addressed and you would like to withdraw your question, please press star then two. At this time, we will pause momentarily to assemble our roster.

The first question comes from Tom Palmer with JPMorgan. Please go ahead.

Tom Palmer

Thank you, and good morning, Greg and John.

I know your guidance does not take a view on how industry conditions might change, but I had a couple of questions here. One, I wonder to what extent you think the RVO might be reflected in the curve today? And then when we see board crush margins moving higher over the past month or so, has this had much impact on the margins that you are able to capture in your crush operations up to this point? Thanks.

Greg Heckman

Sure. I'll start on that, John. So, yeah, you're correct. Our outlook, we did not put any assumptions about what the RVO would do to the curves or the profitability beyond what the curves are already showing. Now, as you called out, we've definitely seen the U.S. curves, especially in the second-half, right, improve a little bit. We think those are probably driven by RVO tailwind expectations.

Now, that being said, there's not much business done beyond Q1 right now. We're still pretty open on the balance of the year. And then the other feature, I think you've got pretty high oil stocks in the US until we see that demand come on, which is a little different than the rest of the world where the oilseeds are pretty balanced. And that could get cleaned up pretty quickly should we get the RVO enacted. But the actual details are important, and the timing is important. So we all wait, but to stay consistent, we just gave the forecast on what we can see today and what the curves are today.

John Neppi

Yeah, I'd maybe just add, Tom, that on top -- oil's certainly been up and down based on market expectations, but we've seen good, steady demand for soybean meal. And I think that's a global phenomenon, but in the US, as well, soybean meal demand's been strong. So that's at least helping from a crush perspective.

Tom Palmer

Understood. Thank you. I had a question just on the cadence for the year. I think, historically, earnings have been a bit more weighted to the second-half of the year than the first half, but the composition of the business has obviously changed quite a bit here. So any thoughts on both kind of the earnings cadence as we think about this year and to what extent that might be reflective of what normal seasonality might look like in the business as we look forward? Thank you.

Greg Heckman

Yeah, Tom, I think how we're looking at this year -- and I don't know that this is necessarily going to be indicative of the future, but just given where the forward curves sit today, we're looking at a first half, second half weight of more like a 30-70 this year, which is a little lighter first half than maybe what we typically see. And then even on the Q1, Q2, we're looking at a 35-65 type split. So absent the impact of RVO change, in Q1 -- really we're going to be through the end of Q1 by the time that probably gets resolved -- pretty light Q1. So 35-65 first half and 30-70 for the full year.

Tom Palmer

Okay, thank you.

Greg Heckman

You bet.

Operator

Thank you. Our next question comes from Heather Jones with Heather Jones Research. Please go ahead.

Heather Jones

Good morning. Thanks for the question.

Greg Heckman

Good morning.

Heather Jones

I just wanted to just clarify one thing on the guidance. So typically, you guys use the forward curve to set your guidance and adjust that based on what you're seeing in the physical markets. Is that any different? Did you do anything different this time? Like, did you just take the curves and then make adjustments for what you're seeing as far as bases, etc., or just wanted to clarify that?

Greg Heckman

Yeah, Heather, thanks for the question. Yeah, we're a little boring in our consistency. So yeah, we use the exact same approach that we've been because we just think that makes it easier to understand how we come at this each quarter.

John Neppl

Yeah and I would just say it's you know right now, obviously, we would expect, once the RVO is finalized, for their conditions to improve. I mean, that some of the dynamics we're waiting to hear are, obviously, finalization or reallocation, the compliance years, are they going to have retroactive 2026 to the first of the year, when it's going to actually get finalized to -- start taking effect. So there's still some unknowns there until it actually gets codified. So rather than try to guess on all that, we just take the curves the way they are and let the market do its work.

Greg Heckman

And in a perfect world, we'd get some clarity ahead of our Investor Day on March 10, but fingers crossed.

Heather Jones

I was going to say my fingers crossed, too. Then a big picture question - so since '22, '23, trade lanes has shifted. You don't have the disruption you had then. You've had quite a bit of crush capacity added in North America and South America. But you have more constructive biofuel policy in Indonesia, Brazil, Europe. And if this is anything -- if the U.S. is anything like it's been telegraphed, it's going to be much more constructive in the U.S. So putting all that together, increased capacity, but much greater demand, do you envision a scenario where crushed margins, both soft and soy, could replicate what we saw in the '22-'23 timeframe? I know those are a lot of what-ifs, but just would love to get your thoughts on a scenario like that.

Greg Heckman

You've called out a lot of the key things that we're seeing. There's no doubt, as John said, the takeaway on meal globally has been better than everyone expected. Part of that, I think, continues to be the growth we're seeing in protein demand, especially in chicken and the growth there.

On the biofuel policy, you're exactly right. There are things happening kind of everywhere, whether it's the B15 in Brazil and eventually going to B16 later this year we think. Indonesia does policy. They've shown the ability to continue to make changes there to adapt. Well, there's what we're seeing in Germany on the RED III. And then, of course, our own biofuel policy here.

But I think what you're seeing is that governments understand the biofuel policy is good for the farming community. It's good for all those communities that value that starts at farm gate and then moves through the value chain. So I think we expect biofuel policy to continue to be constructive as far as comparing back to certain years. And I don't know that I can make that exact call today, but I think we feel it's definitely constructive.

What we do like, and you asked about soft, is we have a much more balanced footprint globally, not only in soy, but in soft, and we've added a larger percentage of soft crushed now. And of course, that is definitely favorable with the oil demand, and that will favor soft crush going forward. So we think our more balanced footprint there will be helpful, for sure.

John Neppi

Yeah I might just add on, Heather, the other thing is we haven't really seen any global, meaningful global disruption, whether it's weather or geopolitical here for a bit. I mean, there's been obviously the trade issues in China, but when you really think about a big shock to the global system, there really hasn't been one for a while. And a weather event could really have a big impact, and given our global footprint going forward, I think we feel like our position is good or better than anyone to handle that.

Heather Jones

Okay, thank you.

Operator

Thank you. The next question comes from Andrew Strelzik with BMO. Please go ahead.

Andrew Strelzik

Hey, good morning. Thanks for taking the question. I had a couple of things. The first one, just from an operational perspective, I was hoping that you could maybe compare the Viterra operations kind of at the time of the acquisition to when you guys took over the Bunge business. And I guess where I'm coming from is I'm curious if you see similar opportunities to kind of transform the earnings power of the Viterra piece separate of the synergies through internal

operations, as has been the case at Bunge, or if there are any meaningful differences that you've observed?

Greg Heckman

I'd say the answer is yes. It was one of the things I think both companies were excited about coming together and doing the deal were that best and better practices. And as we're able to share that, it starts everywhere from the safety of our people as we brought the safety programs together and relaunched the combined safety program on the best and better practices. And definitely, there is a bit of a replay of what we did in 2019 when we joined Bunge. We're now looking at the combined portfolio and making sure that we're running the right assets and the right businesses where we have a right to win for the long term. All the capital allocation is done from the center, and that's healthy for the teams to compete for that capital, aligning the rewards programs and staying focused externally on our customers at both ends of the value chain and being able to do that from that global diversified balance that we now have across crops, across geographies and across origination as well as crush and distribution.

We've got more capillarity and granularity at origination and destination than we've ever had. And ultimately, you wrap all that in a risk culture, and I do think Bunge, when we joined, had incredible capabilities, as does Viterra. And it's been great. Our teams did a ton of work pre-close, and we hit the ground running on day one with one view of our global positions for the people to make decisions with. The teams have embraced the culture. They understand how the risk teams and the commercial teams work together in order to help manage the earnings at risk and run our assets at high capacity utilizations and help our customers manage their risk.

And I'll tell you, in this environment, that is really needed now, and that has real value. And that's the one that continues to pay benefits over and over. Look, we're getting started. We've got, you know, we've got a lot to do, but we really like the way the teams are engaging and working together here early on. And you're right, we've done a lot of this before. So it's just about doing the work.

Andrew Strelzik

Okay, great. That was super helpful. And I apologize if I missed this, but can you share what you're assuming in '26 in the guidance for synergies on the cost and commercial side and maybe how we should think about that, phasing in within that -- the kind of split you gave for EPS through the year? Thank you.

John Neppl

Yeah, Andrew, this is John. So I would say on the cost side, which is what we've got baked into our forecast primarily, we're feeling very good about where we are. We're estimating about \$190 million of realized synergies in 2026, which is actually ahead of schedule. When we look at what we laid out at -- the time we filed our proxy and laid out our expectations on synergies, we expected a second year, full year, about 175 million, roughly. We're actually going to do better than that in six months earlier. We took some action ahead of close and actually started getting the organization structured and ready for the close of the transaction. So we had a bit of a head start coming in to the close.

And in 2025 and prior, we realized a little over \$70 million of synergy already by the end of 2025. And so we're looking at 190 for next year, for 2026 year we're in now, with a run rate by the end of the year somewhere around \$220 million run rate by the end of the year. So feel very good about that. Of course, that 190 is baked into our forecast.

On the commercial side, I think that's still developing. We've got line of sight to a lot of good things, but like anything, those ones are a little more difficult to quantify individually, but I would say a relatively modest amount of synergy baked into the forecast on the commercial side.

Andrew Strelzik

Great, thank you very much.

Operator

Thank you. Our next question is from Salvator Tiano with Bank of America. Please go ahead.

Salvator Tiano

Yes, thank you very much. So I want to start a little bit with a synergy question. If I heard correctly, you said this year we expect to realize 190 million or 90?

John Neppl

190, 190.

Salvator Tiano

So I guess this, by our estimates, is around \$0.70 or \$0.75 in EPS year-on-year growth. So how is the guidance, I guess, on the low end, and frankly, even adjusting for the dividend even on the high end, lower year-on-year. It seems a little bit counterintuitive since, even without the RVOs, the operating environment seems to have been a little bit better for commodities trading, for biofuels. So, does this imply essentially a material decline year-on-year before the synergies, and why would that be the case?

John Neppl

Yeah, a little bit trouble hearing you, but I would look at it this way. We're going to have -- with the with the full year of Viterra, obviously we have a full year impact of share, outstanding shares, we have full year of interest cost, full year of depreciation, some of those impacts, obviously. And I would say parts of the business that are yet to be performing as well as I think they could around grains and the merchandising business. I think, going forward, we still have work to do there.

But overall, I think, again, we're using the forward curves as they stand today. And I think that getting some clarity there and some upside will be some opportunity. But at this point, that's how we're seeing it.

John Heckman

And of that, of that 190 synergy, if you look versus '25, there's 120 incremental. We did about in '25. So for your modeling, it's 120 incremental in '26.

Salvator Tiano

Okay, perfect. So that's extremely helpful. And the other thing I want to ask is a little bit about the cadence you provided earlier. It seems to us that this implying kind of \$0.80 in Q1, \$1.50 Q2 and around \$2.70 in the second-half. So my two questions are, firstly, \$0.80 in Q1, that will be probably the lowest EPS figure in a long time. And theoretically, again, the idea is that the markets are a little bit better than they were at the cross of last year, get EPS much lower. So are there any specific items or segments that may be affected by timing, something that is pushing earnings away from Q1?

And the second part of the question is, if we're not really assuming a major improvement in the forward curves, in the guidance, how are we getting to around \$2.70 in EPS in the second half in

each of the quarters? And if the RVOs come, are we talking about \$3.50 or even \$4 at some point in quarterly EPS?

John Neppl

Yeah, I think if you look -- you're really close on obviously the first the first half, kind of the breakdown there in terms of per quarter. And then the second half, I think we're looking at about a 40-60 on the second half at this point. It's still way early, so a little difficult to predict that.

But I think a lot can happen. A lot of Q1's baked already. We're a month, more than a month into Q1. I think that we're off to an okay start, but again, when biofuel policy gets resolved, Q1 is going to have largely been completed. And so we're hopeful that it's going to provide us some upside here as we look through the balance of the year.

But, yeah, Q1 is a really light quarter. We're a much bigger company, and -- but a lot of uncertainty, and what we found, what we've seen really second half of '25 and especially into Q1 of '26 is very spot customers on both ends. Farmers are spot. Our customers are very spot, and it just creates less opportunity for us.

Greg Heckman

And if you look coming out of Q4, on soy, you've got average margins are down in Q1 versus Q4. In soft, you've got crush margins down kind of seasonally versus Q4. And then you say, well, how do you come out of Q4? One, you've got to thank the team for really executing very well in a quarter where you had really no market catalysts, heavy stocks. You've got the uncertainty around the bio and trade policy. So I think what we saw there is the team executed very well, even though, with ample supplies, farmers don't want to sell to lower prices, and your feed and food customers, and fuel customers haven't needed to buy because they've been rewarded for waiting. So that environment is definitely carrying over into Q1. Now that being said, as in Q4, I think there's opportunities there that the team will execute well against it.

The other kind of feature is the Australian harvest was delayed somewhat by weather. That's now definitely an important feature of us, and that's sliding some of that from Q4 into Q1, but it also has brought margins down a little bit the way that harvest is developing and the demand is developing. So those are kind of some of the features.

Salvator Tiano

Thank you very much.

Operator

Thank you. Our next question is from Ben Theurer with Barclays. Please go ahead.

Ben Theurer

Yeah, good morning, Greg, John. Thanks for taking my question. One on grain handling actually, just to help us understand, because grain merchandising, it used to be not as relevant, but now with Viterra, it starts to become a little more of a heavyweight, as well. So how should we think about the current conditions, right? 2025 was a lot of uncertainty with trade, the conflict between U.S., China, etc. So as you look through the opportunities in the business, in the combined business, and we talk about the merchandising, maybe ocean freight, etc., how should we think about the 2026 set up here? And what's like kind of like a level of disruption or activity that you need in this business to really make the most out of the larger footprint that you're having?

Greg Heckman

Yeah, I start by reminding us, right, we've got six months under our belt running it together. So -- we're looking forward to that -- the first half is a very seasonal business. We'll get to see Q1 and Q2 with the combined platform, and then we'll start lapping the time that we ran together in the second half of last year. So look, the teams are continuing to adjust and do the scenario analysis for a number of things that can happen. But there is that important baseload business, right? Serving customers every day. We've got the geographical balance. We should have the absolute best cost position to be there with the right product, the right quantity, the right quality at the right price. So we'll do that baseload business and then adjust to whatever disruptions. And we've already seen some of that where we've had to repair origins and destinations and where we actually had to develop some new destinations because of some of the trade disruption.

So I think that becomes standard part of the business. And as you called out, as well, ocean freight, we've combined that group. We're a very large user, of course, of the ocean freight, and we're starting to see the benefits of that larger platform and some of that lowering the cost between origin destination and being able to react faster to change. So I think part of it is just getting the reps, getting to fewer systems and processes and having the teams continue to make those improvements.

So whatever the environment, we know it will improve eventually. But until it does, I know our team will get all of the benefit that we can out of it.

John Neppl

And, Ben, maybe I'd just add, we -- for Q4, we only had a \$30 million increase year-over-year in the segment. And I think as you look into 2026, you should see a better year-over-year improvement, especially in the first half, obviously, when we don't have -- the comps are against the prior Bunge only. But even in the second half, we expect the comps to be better versus the combined company second half.

So it's moving in the right direction. It's just that's the biggest part of Viterra's business. And while we are really, really pleased with how well the crush has folded in very quickly because we had a much larger crush footprint, so that folded in very nicely to network quickly, we have a lot more people, a lot more assets, a lot more locations involved on the merchandising and handling side, and it's more work. But to Greg's point, we're doing the right things. We've got the teams focused. It's just going to take a little bit longer to get that humming.

Ben Theurer

Okay. And then my second question real quick is CapEx, obviously, last year was, give or take, \$1.7 billion, of which little more than \$1.2 billion was for growth. The guidance you've issued for this year is more or less the same level, if we take the midpoint here, just a little bit lower. I suspect the sustaining CapEx goes a little bit up, but it's probably still going to be roughly \$1 billion in growth investments. So how should we think about the return on investments here or that \$1 billion plus last year, probably another \$1 billion this year. What's like the return you're expecting from that and especially the timing of those returns?

John Neppl

Yeah, let me start with -- maybe talk about the mega projects. So our spend on mega projects, so the four large capital projects that we've -- the multiyear projects, that spend is going to drop about \$350 million in 2026 as we finish -- kind of get to the completion dates on the projects. So that leaves -- that's about 6, call it, \$600 million to \$650 million on the mega projects that will be largely wrapped up by the end of the year. We really don't -- we have not modeled in really much, if any, contribution from those projects. So the Morristown plant is in commissioning now and will

be running this year. Obviously, a lot of the time this year is going to be spent on qualifying the plant for our food customers. We will get some volume through there, but probably not high enough capacity utilization to have a meaningful contribution in '26. So we've not really added much in the forecast for that.

And then our Destrehan barge unloading and crush plant expansion, remember the crush plant's in the joint venture with Chevron. And then the barge unloading, those will be up midyear. And of course, we're not -- we don't have a lot baked into the forecast on a contribution in '26 for those, either, think they'll really be contributing a lot more as we get into '27.

And then our -- the final project is the WestZaan plant in Netherlands that will be up and running in, for the most part, early '27. So not a lot of contribution from those in '26, but we should see a bump up in '27 relative to that spend.

We've got also -- we've earmarked a few hundred million for other growth projects in '26 to round out the \$1 billion rough number. Those haven't all been approved, and we'll review those as we go and may or may not decide to do those. But we've got that included in the forecast, so that's why we have a range of 1.5 to 1.7. If we did all of that, we'd be closer to 1.7. If we choose not to do some of those projects, we'll be closer to 1.5. And those, obviously, anything we're constructing during '26 likely wouldn't have a meaningful impact on '26 returns.

Ben Theurer

Got it. Thank you very much.

Operator

Thank you. The next question comes from Steven Haynes with Morgan Stanley. Please go ahead.

Steven Haynes

Hey, good morning. Thanks for taking my question. A lot's been covered. Maybe just another way on the guidance, I think in the past, you've provided some directional, I guess, guide by segment. I realize it's maybe a bit harder just given the first half of last year doesn't have Viterra it and this year has a full contribution. But is there a way that maybe you could frame by segment working back from the midpoint of your guide like whatever adjusted EBIT is kind of assumed at that level, how you see that splitting out between each of your businesses this year? Thank you.

John Neppi

Yeah, so if you look -- Steven, this is John. If you look at kind of our core segment EBIT, so that's defined as the segment results before corporate, I'd look at it this way. About half that EBIT is going to be in our soy processing and refining is how we're looking at it for the year, so call it 50%, about a quarter of it in our soft processing and refining segment. And then grain, merchandising and milling, we're forecasting to be around 20% of it, and then the remainder of the -- remaining 5% would be in our other process in refining. That's how we see the rough forecast for the year. And then, of course, offsetting that, to some degree, will be the Corporate and Other, which we would expect to be, call it, \$120 million, \$125 million per quarter negative against that.

Steven Haynes

Okay. Thank you. I appreciate all the help, detail.

Operator

Thank you. The next question is from Derrick Whitfield with Texas Capital. Please go ahead.

Derrick Whitfield

Good morning, all, and thanks for taking my questions.

Greg Heckman

Morning.

Derrick Whitfield

With regard to the RVO, the administration has been quite supportive of the U.S. and farmers nearly at every turn. We have heard in recent weeks a range of 5.2 billion to 5.6 billion gallons per BPD volumes. I guess, where is your view on where the administration will land on absolute volumes and the half regeneration concept for imported products and feedstocks?

John Neppi

Derrick, this is John. I think on the 5.2 to 5.6, I don't know that we see where it's going to end up. Obviously, we prefer the 5.6, obviously, but we're hopeful they'll at least start at the midpoint of the range and maybe go up from there, especially given that it appears pretty likely that the half we're in the 50% rent is not going to take effect in 2026. They're going to kick that can down the road to 2027 and make a decision then. So hopefully, given that decision, they'll move to the high side of this range of 5.2 to 5.6. But we don't -- obviously don't know yet and hoping here over the next few weeks to get some clarity.

Derrick Whitfield

I think the crystal ball is right on the 5.6 side. But maybe on a similar topic, I read in a recent trade article that Bunge was recognized as the first company to certify soybeans for use in the production of SAF under the CORSIA plus product call. To the degree that you can, could you speak to that market opportunity for Bunge from this development given the favorable price realization for SAF over R&D and the tightness we're seeing a qualified feedstocks for SAF?

John Neppi

Yeah, look, I think we don't have anything baked into our forecast for that. So anything that develops during the year is going to be upside for us. I think it's still a fairly nascent market, at least from the way we participated up to this point, but certainly there is going to be incremental demand. It could be massive incremental demand if it really gets rolling. But we work a lot with the end fuel customers. We've got relationships with all the large fuel producers and those that produce jet fuel. So we're optimistic that, as that gains some traction, we'll be right there to participate. But I would tell you, in our 2026 numbers, we don't have anything meaningful baked in for that, so looking forward to seeing how it develops.

Greg Heckman

So we are focused on this, I mean, for the long term. One of the things that we've got with the partnership with Chevron and the partnership with Repsol and some of the other fuel customers, right, it's not only serving them with the current origination that we have, but now having the touch we do globally with more farmers than anyone else, as we're working to develop some of these new novel seeds and cover crops, we'll have the ability to meet what their needs are for the long term, whether it's SAF or renewable diesel or traditional biodiesel. So really excited about the combined capabilities of the company and definitely want to be the partner of choice for the fuel industry.

Derrick Whitfield

Great. Thank you.

Operator

Thank you. The next question comes from Matthew Blair with TPH. Please go ahead.

Matthew Blair

Great. Thanks for taking my question. So for the \$7.50 to \$8 guide, you mentioned you're just taking the current futures curve. As we think about the spread there, the low end versus the high end, what determines that? Is that just based on Bunge's execution? What puts you at the low end of the guidance? What puts you at the high end? Thank you.

Greg Heckman

Yeah, I'll start, John.

John Neppl

Sure.

Greg Heckman

I think how we see the market continue to develop from a demand standpoint -- we talked about the soy stocks are definitely heavy, but we have seen that's only in the U.S. Merchant milling, we'll see how, as we have that first half of the year running the combined footprint, and as the crops come off here in Australia, as some of the trade disruption that we've had, we really expect it to be not as complicated as last year. That should be good for our merchandising segment.

From an overall -- the other is just we continue to work, not only on the cost synergies, as John said, kind of trying to deliver more and faster, and then the commercial synergies as we're on the front end as the teams work together, as those plans continue to develop, those could continue to benefit us in the second half. So I think the combined platform, we've just got more levers to pull on both the cost as well as the margin side than we've ever had.

John Neppl

And I would just add, Matthew, that when you look at our soy and soft, we can use the forward curves for a majority of that business. And so we feel like, whether we agree with the curves or not, that's what we use, and that's got a fairly decent level of specificity to it. But when you get to the merchandising and milling side, there are no forward curves. And so what the environment is going to be like -- I think if we continue on with global heavy stock spot customers, not a lot of opportunity in that market, it's going to be a little bit tougher. But again, volatility disruption, global demand shifts, trade policy changes, all those things create opportunity on the merchandising side that is really hard to model in. So we will obviously be able to be in a good position, as Greg pointed out, to take advantage of those things.

Greg Heckman

Probably two other things worth mentioning, right? We saw last year China drawing a lot of beans out of Brazil, particularly in South America, overall that created headwinds for crush there. And then, of course, as the U.S.-China issue got solved, then taking beans out of the U.S. in the fall, which created some headwinds for crush margins there. We'd expect to see a more normal flow in the coming year.

And then on the soft side, of course, we've had two years in a row of tough sun seed production in the Black Sea, Europe area, and that's been hard on margins. So while we've got some more balance in Argentina on the sun crush side, and we had good crops there in the second half, I think if we can get a good sun crop, that should be improvements in Black Sea and Europe for

sun crushing. So those are some of the flags, I guess some of the bigger issues that we're watching develop.

Matthew Blair

Sounds good. And for the follow-up, so renewable diesel margins in the U.S. are already moving up quite a bit in the first quarter. Are there any signs in your system yet on a larger pool for soybean oil from the renewable diesel space? Any signs that U.S. renewable diesel utilization is stepping up as these margins improve?

John Neppl

We're seeing some modest pull, but honestly, I mean, stocks continue to build in oil. And I think until we get clarity and the producers have certainty; we're still going to see stocks build. But as we look at the model and we look at the demand, it can turn very quickly. And we could go from a surplus oil environment today where we're building stocks to a very tight market very quickly. And our expectation would be, if we get if we get to the 2 or 5.6, depending on even -- under either of those scenarios, there's going to be substantial pull on soybean oil, canola oil as favored bean stocks along with the domestic OCI, and we'll see things tighten up fairly quickly. Obviously, everybody is kind of waiting to see what's going to happen. Yeah, there's started to be some anticipation of that, but not anywhere near what we expect once things are finalized.

Matthew Blair

Great. Thanks for your comments.

Operator

Thank you. The next question is from Manav Gupta with UBS. Please go ahead.

Manav Gupta

Hi. So my first question is the buyback was pretty strong in 3Q and -- sorry, in 3Q, and it dropped off a cliff in 4Q, like it went from \$545 million to \$6 million. I'm just trying to understand why such a steep drop, and how should we look at buybacks going ahead?

John Neppl

Yeah, we just -- we stepped in the market to get a majority of it done. We just -- we didn't complete it all at the end of Q3 and went into Q4. But we're absolutely committed to wrapping that up, the remaining program, and we'll get that done I think fairly soon.

Relative to ongoing, I think as we look forward, we definitely see an opportunity to make share buyback a bigger part of our capital allocation process, and we're going to discuss that more on Investor Day, certainly, as we provide more of a forward outlook. But this machine should generate a lot of cash going forward. And our view is that return to shareholders is going to be a more critical part of our ongoing capital allocation as we move forward, but we'll highlight more details on that in March.

Manav Gupta

My second question is, when you look at Street for 1Q, it's like 176. Your guidance is implying 80. Like where do you think the Street is getting it so wrong versus what you are guiding? Like why is the Street almost double where you are in terms of your guidance?

John Neppl

Yeah, I think it's difficult to say maybe at this point other than maybe understanding the velocity of what we're seeing that maybe the RVO impact would start getting traction in Q1. And that

obviously has been delayed, and we're fairly locked for Q1. So even if we get -- as things improve, we have some open capacity to capture some of that. But by the time the RVO gets finalized and enacted, we're going to be through the quarter. And maybe there was just some -- a bit of disconnect in terms of the timing of that.

Greg Heckman

I'd say also, what I hope you heard as we kind of talked through that, while this is fairly back half loaded, as we talk about the range, it feels like there are a lot more things that could kind of turn to the favorable versus be challenging as we think about how markets develop, policy develops, more normalized trade flows versus what we saw in '25. And where we've got big global machines running with a lot of long lead times, all those things are favorable. So I think we had to look at the things that could kind of tip to negative or positive, and I think we feel things are maybe more bent to the positive when you roll them all up. I hope that's clear.

Manav Gupta

Thank you.

Operator

Thank you. The next question is from Pooran Sharma with Stephens, Inc. Please go ahead.

Pooran Sharma

Hi, good morning, and thanks for the question. I just wanted to start off and get a little bit more granularity into the commercial synergy opportunity. I think you mentioned a few details on the call, but was just wondering what are the opportunities that you've kind of uncovered, and what are some of the things that you're working on? Anything kind of higher level would be helpful. Thanks.

Greg Heckman

Sure. There's no doubt, as a processor, the vertical nature of this combination with [inaudible] much stronger origination and Bunge having a bigger processing footprint is, as a processor, the more you can buy direct from the farm, the better that is for controlling everything from your pipelines and capacity utilization and quality and yields and everything. And we've definitely got a lot of focus on increasing the percent we buy direct from farmers and providing the market for them. And now we've got much more capability to do that. We're seeing that gain continue to push forward a higher percentage, bought direct, and that will continue.

And then as we talked earlier, when you're optimizing the total footprint, you'll make different decisions than when you were competitors on the timing of understanding the needs of a processing plant and also understanding the needs of our origination and being able to keep the flows moving through the ports into third-party customers. So getting the reps with the team and getting an understanding of our combined capabilities has been great.

And then even if you take something like -- and talk about our soft seed crushing platform, I talked about we're much more balanced, not only on our seed origination and global merchandising where we've seen a number of opportunities with some of the trade disruptions to be able to continue to get farmer seed to market and find the right demand, but also on the meal, on the sun meal and the canola and rapeseed meal where, when we look at the combined footprint, we've been able to connect origins and destinations that weren't connected before. And then as some of those trade lanes were shut off and were not economical, we've even developed some new markets that didn't exist before. They weren't using some of these products. And so we've been able to grow those markets.

And it's just the combined capabilities as we get the repetitions to continue to peel those opportunities back. And just the way the teams are working together, I just couldn't be more pleased, and I've had the opportunity to do a lot of travel around and visit plants and visit the offices and visit ports, and it's fantastic -- you go into a room, and nobody says I'm with Viterra, I'm with Bunge. It's just everybody's Bunge. The teams are excited about the capabilities that we've got in this global platform and what we can do to serve our customers to work together. And there's no lack of challenges in the world right now, but I don't think anybody is better equipped than Bunge to deal with it.

Pooran Sharma

Thank you.

Operator

Again, if you have a question, please press star, then one.

CONCLUSION**Operator**

We have no further questions, ladies and gentlemen. This concludes our question-and-answer session. I would like to turn the conference back over to Greg Heckman for any closing remarks.

Greg Heckman

I'd just like to thank everybody for joining us today. We appreciate your interest in Bunge. We look forward to speaking to you again very soon. And I hope everybody has a great day. Thank you.

Operator

Thank you. The conference has now concluded. Thank you for attending today's presentation. You may now disconnect.