COUNTRY SNAPSHOT:

UNITED KINGDOM

The United Kingdom (U.K.) is the 5th largest economy in the world. Brexit and COVID-19 had significant impacts on the economy but growth recovered to 3.4% in 2022. However, lingering supply chain disruptions, volatile energy prices and critical transportation and labor shortages will contract the economy by .4% in 2023 before modest (.2%) growth resumes in 2024. In 2022, through November, the U.S. exported 152,000 MT of soybeans valued at $79 million, an increase over 2021 and similar to 2020 but below previous levels.

U.S. Soy has collaborated with the U.K. for 50 years.

MARKET STATS

Soy usage market size by Volume, 2022

<table>
<thead>
<tr>
<th></th>
<th>Volume</th>
<th>Percentage of Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poultry</td>
<td>356,764 MT</td>
<td>42.6%</td>
</tr>
<tr>
<td>Dairy</td>
<td>216,185 MT</td>
<td>25.8%</td>
</tr>
<tr>
<td>Pork</td>
<td>184,818 MT</td>
<td>22.1%</td>
</tr>
<tr>
<td>Eggs</td>
<td>69,316 MT</td>
<td>8.2%</td>
</tr>
<tr>
<td>Beef</td>
<td>9,173 MT</td>
<td>1.1%</td>
</tr>
</tbody>
</table>
STRENGTHS

- The high quality of U.S. Soy is well known in the feed industry, as is the reliability of the U.S. as an exporter.
- Demand for food quality soybeans will increase slowly as consumption patterns change.

OPPORTUNITIES

- Due Diligence regulations require U.K. companies to know the source of their soybeans and status related to deforestation and land conversion.
- The U.S. Soy Sustainability Assurance Protocol (SSAP) and the sustainability practices of U.S. soybean producers are positioned to meet the growing demand for sustainable soy.
- Demand for poultry will remain strong.
- Niche markets exist for food quality soybeans for direct human consumption.

CHALLENGES

- Brexit and COVID continue to hinder economic performance as supply chain disruptions and labor shortages continue.
- Livestock numbers are expected to remain stable in the short term.
- Increasing need for U.S. suppliers to "prove" low risk of deforestation and land conversion.
- Existing GMO tolerances create high risk to U.S. exporters of non-GM food beans.

Sources:
- U.K. Government
- USDA/FAS/GATS
- International Monetary Fund
- Oil World
- IDH Soy Monitoring Report 2021