MESSAGE FROM DEREK HAIGWOOD, USSEC CHAIRMAN OF THE BOARD

2019’s challenges ranged from weather to trade issues, affecting all facets of the U.S. Soy industry. USSEC continued its work of increasing export demand for our products through building demand and expanding global market access for U.S. Soy products.

While we farmers do our jobs by raising high-quality crops, USSEC is doing its part to make sure the fruits of our labor have a destination. As in farming, each year brings us new opportunities to cultivate and grow U.S. Soy.
WHO WE ARE

The U.S. Soybean Export Council (USSEC) is a dynamic partnership of key stakeholders representing soybean producers, commodity shippers, merchandisers, allied agribusinesses and agricultural organizations.

Through a global network of international offices and strong support in the U.S., we help build a preference for U.S. soybeans and soybean products, advocate for the use of soy in feed, aquaculture and human consumption, promote the benefits of soy use through education and connect industry leaders through a robust membership program.
OUR MISSION

Our mission is to optimize the utilization and value of U.S. Soy in international markets by meeting the needs of our stakeholders and global customers.
EXECUTIVE LEADERSHIP

Jim Sutter, Chief Executive Officer

Paul Burke, Senior Director, U.S. Soy Marketing Programs

Ed Beaman, Senior Director, New Program Development and Non-Traditional Funding

Rosalind Leeck, Senior Director, Market Access

Karey Claghorn, Senior Director, Organizational Collaboration and Innovation

Carlos Salinas, Senior Director, Soybean Meal Feed Markets

Beth Schulte, Interim CFO

Julie Sumpter, Controller
REGIONAL DIRECTORS

Brent Babb, Regional Director, Greater Europe, Middle East, North Africa

Ed Beaman, Regional Director, Sub-Saharan Africa and Acting Regional Director, Asia Subcontinent

Rosalind Leeck, Regional Director, North Asia

Timothy Loh, Regional Director, Southeast Asia

Kevin Roepke, Regional Director, Americas

Xiaoping Zhang, Regional Director, Greater China
USSEC STAFF

DIRECTORS

Charles Hall, Director, Measurement and Evaluation

Will McNair, Director, Oil and Human Consumption

Colby Pinkstone, Director, Strategic Program Development

Abby Rinne, Director, Sustainability

Pam Helmsing, Director, Contracts
2019 – 2020
BOARD OF DIRECTORS

Allied Sub-Class
Dawn Scheier,
South Dakota
Soybean Research & Promotion Council

Tori Sorensen,
Insta-Pro

Exporter Sub-Class
Chris Arnold,
The Scoular Company

John Buboltz, Cargill
Ken Dallmier,
Clarkson Grain Company

Matt Hopkins, Archer Daniels Midland
Aaron Skyberg, Healthy Food Ingredients

ASA Appointments
Stan Born, Grower Leader, Illinois

Brian Kemp, Grower Leader, Iowa

Monte Peterson, Grower Leader, North Dakota

Kevin Scott, Grower Leader, South Dakota

USB Appointments
Derek Haigwood, Grower Leader, Arkansas

Darren Kadlec, Grower Leader, North Dakota

Lance Rezac, Grower Leader, Kansas

Doug Winter, Grower Leader, Illinois
2020-2021 BOARD OF DIRECTORS

**Allied Sub-Class**
Dawn Scheier, South Dakota Soybean Research & Promotion Council
Tori Sorensen, Insta-Pro

**Exporter Sub-Class**
Chris Arnold, The Scoular Company
John Buboltz, Cargill
Ken Dallmier, Clarkson Grain Company
Matt Giltner, Archer Daniels Midland
Craig Pietig, Ag Processing Inc.

**ASA Appointments**
Stan Born, Grower Leader, Illinois
Brian Kemp, Grower Leader, Iowa
Monte Peterson, Grower Leader, North Dakota
Joel Schreurs, Grower Leader, Minnesota

**USB Appointments**
Derek Haigwood, Grower Leader, Arkansas
Darren Kadlec, Grower Leader, North Dakota
Lance Rezac, Grower Leader, Kansas
Doug Winter, Grower Leader, Illinois
USSEC’s “What It Takes” initiative aimed to keep exports roughly unchanged despite volume losses to China. This program looked at all possible markets for U.S. Soy around the globe and put together projections for the amount of exports needed to those markets to make up for the loss of the China market. We worked closely with U.S. Soy exporters and importers around the world to maintain exports of approximately 60% of total U.S. Soy production.
INTERNATIONAL MARKETING STRATEGY: MARKET ACCESS

We focused on prioritizing market access in ALL markets. Market access means:

- Being proactive and reactive to market needs
- Maintaining relationships
- Managing crises
- Fostering U.S. Soy interests
- Maximizing the U.S. Soy Advantage
- Minimizing potential trade barriers
LONG-TERM INTERNATIONAL MARKETING STRATEGY

In 2017, USSEC conducted a two-phase study to inform a revised International Marketing Strategy that re-prioritized and defined target markets to safeguard profitability for American farmers for years to come. Conducted in collaboration with United Soybean Board, this Marketing Strategy had helped us navigate the challenging landscape of 2019 and stay focused on both short- and long-term goals.
That study informed a revised long-term strategy that includes three components:

- **WHERE TO PLAY**: Shift to invest more in future markets
- **WHAT DIRECTION DO WE TAKE TO WIN**: Across all market stages, ensure market access and adopt the focus area approach framework
- **HOW TO WIN**: Across all market stages, adopt suggested best practices

**MORE EMPHASIS ON WHERE WE CAN INFLUENCE**

**DATA-DRIVEN RESPONSIVENESS**

**MARKET ACCESS AS MISSION CRITICAL**
INTERNATIONAL MARKETING STRATEGY: WHERE TO PLAY

We classify markets by emerging, expansion and mature. Emerging markets represent our greatest opportunity:

- **Priority markets:** 14/48
- **Opportunity (at 50% share):** $6.3B
- **Plan to increase investment to by 2021:** 40%

By 2021, we’ll decrease our investment into expansion markets and China to 50% (today, this investment is around 66%).
## Emerging
- Algeria
- Bangladesh
- Egypt
- El Salvador
- Honduras
- India
- Morocco
- Myanmar
- Nepal
- Nicaragua
- Nigeria
- Pakistan
- Sri Lanka
- Tunisia

## Expansion
- China
- Colombia
- Costa Rica
- Cuba
- Dominican Republic
- Ecuador
- Guatemala
- Indonesia
- Jamaica
- Malaysia
- Mexico
- Peru
- Philippines
- Romania
- Russia
- Thailand
- Turkey
- Vietnam

## Mature
- Belgium
- Canada
- Chile
- France
- Germany
- Italy
- Japan
- Netherlands
- Poland
- Panama
- Portugal
- Saudi Arabia
- South Korea
- Spain
- Taiwan
- United Kingdom
2019 EVENTS: CELEBRATING LONGSTANDING RELATIONSHIPS AND NURTURING NEW ONES

Each year, the USSEC team hosts hundreds of stakeholder events worldwide, which bring together key audiences to build relationships, promote the U.S. Soy Advantage, and work to meet the needs of a growing world.
These events can be large conferences, like the 2019 U.S. Soy Global Trade Exchange, which took place in Chicago, bringing together soy importers and stakeholders from more than 50 countries to learn about how we grow the highest quality, most reliable and sustainable soy in the world. USSEC also holds regional conferences, trade missions, technical and trade servicing and sponsor and participate in other stakeholder meetings. One thing is certain: Each and every USSEC event brings together our most important audiences across the U.S. Soy value chain to reinforce and champion the U.S. Soy Advantage.
Southeast Asia U.S. Agriculture Cooperators’ Conference, Singapore (August 2019)

The 15th annual agricultural cooperators buyers’ conference in Southeast Asia took place from August 6 to 8 in Singapore, marking the 40th anniversary of USSEC’s work in Southeast Asia. The U.S. Soy industry celebrated strong growth of exports of U.S. soybeans and soybean products into this region of the world. More than 200 guests participated in the event, including 79 importers representing 61 companies in seven countries.
Taiwan Outlook Conference & 50th Anniversary, Taipei (November 2019)

The Conference and events, like the one held Taipei, are vital to increasing the demand for U.S. Soy. It’s very important for crushers to meet the U.S. soybean farmers and put faces of the growers to the product. Their work has been well-received by our partners in Taiwan. Despite having a population of only 23.5 million, Taiwan was the United States’ ninth-largest export market for farm and food products in 2018, enjoying 86 percent market share.

U.S. Soy Trade Exchange — Europe & Middle East/North Africa, Frankfurt (December 2019)

In December, USSEC celebrated 50th anniversary of the opening of its first office in the European Region. The United States is Europe’s primary supplier of soybeans, and this event highlighted the latest innovations in U.S. Soy to existing and new customers. The European Union is the second largest importer of soybeans after China and the largest importer of soybean meal. Imports total approximately 12 million tons of soybeans and 21 million tons of soybean meal.
MATURE MARKET HIGHLIGHTS

The Korea-U.S. Free Trade Agreement has helped to make South Korea the No. 1 market for U.S. soybean oil. Korean soybean oil refiners are convinced with the quality of U.S. Soy oil. In fact, since 2018, two of the five major refiners have imported only U.S. soybean oil.

Long-term partnerships define U.S. Soy’s presence in Japan, where the U.S. Soy industry opened its first international office in 1956 and has maintained a constant presence ever since. Although Japan’s population is rapidly aging, U.S. market share in crush and soyfoods continues to increase and the U.S. enjoys a 74% market share.

The European Union was another mature market that reaped great success in FY19. USSEC leveraged its long-term relationships here to gain a 31% increase in whole soybean exports over the previous year. In particular, exports to southern Europe climbed. France, Italy, Portugal and Spain’s imports rose 119%, more than doubling last year’s U.S. Soy imports. In these markets, USSEC has focused on improving knowledge of the U.S. Soy Advantage related to quality, sustainability and logistics.
EXPERIENCE TODAY’S U.S. SOY ADVANTAGE TOUR

In today’s climate, it is important for us to take steps to nurture and solidify the relationships we have in expansion and mature markets to:

- **Protect** our investments
- **Champion** the benefits of U.S. Soy to meet their growing needs

We hit the road to meet with our customers in global markets across the world to show our gratitude for their partnership and reinforce the advantage they experience every time they choose to buy U.S. Soy.
In 2019, as part of this initiative, we met with soy industry stakeholders face to face in more than 24 markets, including:

- Bangladesh
- Colombia
- Costa Rica
- Dominican Republic
- Egypt
- Germany
- India
- Indonesia
- Italy
- Japan
- Korea
- Mexico
- Myanmar
- The Netherlands
- Nigeria
- Pakistan
- Philippines
- Portugal
- Spain
- Taiwan
- Thailand
- Tunisia
- Turkey
- Vietnam
U.S. SOYBEAN EXPORT COUNCIL

DOING WHAT IT TAKES

UY ADVANTAGE

23
CREATING DEMAND FOR SOY AND DECREASING PROTEIN DEFICIENCY IN EMERGING MARKETS

Protein deficiency is a growing problem in the majority of the Emerging Markets identified in our International Marketing Strategy. For instance, in India, it is estimated that 73% of the population is protein deficient. By working with trade local associations, governments and other influential groups in these markets, USSEC is working to find ways to overcome this problem by educating people about the importance of plant and animal protein as part of their daily diets. This is a growing component to drive the overall strategy to engage the value chain in the process while ultimately improve protein deficiency statistics – and in the long term, increase demand for soy in markets where we know there is substantial room for growth.
Over the past year, USSEC has focused protein deficiency campaigns to engage consumers, NGOs, public and private sector, and other influencers in India and Nigeria.

The campaign in India launched in late 2019 with great success thus far and Nigeria will launch in 2020.

The campaign is still young, but it’s already having incredible reach.

We expect fruitful things to follow in Nigeria as well as we work to position soy as a solution to major problems in the Emerging Markets.
Through a strong media launch, collaborations with U.S. partners like USA Poultry and Egg Export Council (USAPEEC) as well as local consumer-focused influencer groups in India, the campaign has reached more than 900,000 stakeholders with the Right to Protein message in just a few short months. This broad and expanding reach will serve to increase protein – including soy – demand in a market where there is great room for growth.

- **13M** readers in top-tier newspapers
- **1/2** of India’s internet users through 125 million online views
- **1 of 33** Indian newspaper readers
- **8 of 10** top regional newspapers
- **10+** languages
- **18** major cities throughout the country
right to protein

Know your protein requirement to start living a healthy life, every day.

Stressed about your child’s protein intake? Calculate your child’s protein.
SOY EXCELLENCE CENTERS

The goal of SECs is to have them become a one-stop-shop for industry training. These centers are designed to provide training, resources and education to all members of the soy value chain.
The first one opened in Cairo, Egypt this past September. Other sites for future Soy Excellence Centers include: Nigeria, Thailand and Mexico.

SECs will also build and facilitate business relationships and links between local and international businesses.
2019 FINANCIALS

INTERNALLY MANAGED FUNDS (IMF)

IMF Revenue Collected: $756,957

Expenses: $502,147
<table>
<thead>
<tr>
<th>FUNDING SOURCE</th>
<th>TOTAL ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>QSSB</td>
<td>$3,078,750</td>
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<tr>
<td>USB</td>
<td>$35,140,072</td>
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<tr>
<td>Total Checkoff</td>
<td>$38,218,822</td>
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<tr>
<td>FMD</td>
<td>$8,521,831</td>
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<tr>
<td>MAP</td>
<td>$4,323,886</td>
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<tr>
<td>Total FAS</td>
<td>$12,845,717</td>
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<tr>
<td><strong>Checkoff &amp; FAS Total</strong></td>
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### FUNDING BY ALLOCATION 2019

<table>
<thead>
<tr>
<th>REGION</th>
<th>TOTAL ($)</th>
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<tbody>
<tr>
<td>AM - Americas</td>
<td>$4,985,727</td>
</tr>
<tr>
<td>ASC - Asia Subcontinent</td>
<td>$2,345,448</td>
</tr>
<tr>
<td>CH - China</td>
<td>$3,252,414</td>
</tr>
<tr>
<td>EU - European Union</td>
<td>$3,191,288</td>
</tr>
<tr>
<td>MENA - Middle East / North Africa</td>
<td>$2,362,647</td>
</tr>
<tr>
<td>NA - North Asia</td>
<td>$5,079,087</td>
</tr>
<tr>
<td>SA - Southeast Asia</td>
<td>$5,595,900</td>
</tr>
<tr>
<td>WW - Worldwide</td>
<td>$24,252,028</td>
</tr>
<tr>
<td><strong>Total Available for Investment</strong></td>
<td><strong>$51,064,539</strong></td>
</tr>
<tr>
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<td>TOTAL ($)</td>
</tr>
<tr>
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</table>
USDA AGRICULTURAL TRADE PROMOTION (ATP) PROGRAM FUNDING

In 2019, USSEC and its colleague organizations, SSGA and WISHH received U.S. Department of Agriculture’s (USDA) Agricultural Trade Promotion (ATP) program funds to support both short-term and long-term strategies that will build new markets for U.S. soybean producers.
The focal point of this strategy is to make investments into new markets where there is significant future potential owing to factors like population size, upward economic trends and low protein consumption.

As we move forward, USSEC is focused on expanding in global markets where we can have an impact and investing in markets that represent future growth opportunities.

ATP funds have been critical to help U.S. soybean farmers who have been disproportionately impacted by export uncertainty over the past year. These funds provide additional resources to help farmers and industry members remain competitive globally.
## ATP Funding 2019

<table>
<thead>
<tr>
<th>Region</th>
<th>Total ($)</th>
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</thead>
<tbody>
<tr>
<td>AF - Africa</td>
<td>$3,033,696</td>
</tr>
<tr>
<td>AM - Americas</td>
<td>$2,284,181</td>
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<tr>
<td>ASC - Asia Subcontinent</td>
<td>$6,602,800</td>
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<tr>
<td>EU - European Union</td>
<td>$866,800</td>
</tr>
<tr>
<td>MENA - Middle East / North Africa</td>
<td>$5,740,000</td>
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<tr>
<td>NA - North Asia</td>
<td>$205,000</td>
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<tr>
<td>SA - Southeast Asia</td>
<td>$3,340,480</td>
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<td>WW - Worldwide</td>
<td>$6,763,711</td>
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<tr>
<td><strong>Total USSEC</strong></td>
<td><strong>$28,836,668</strong></td>
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</table>

**Grand Total**

$34,632,116
<table>
<thead>
<tr>
<th></th>
<th>TOTAL ($)</th>
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</thead>
<tbody>
<tr>
<td><strong>WISHH</strong></td>
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<tr>
<td>WISHH</td>
<td>$3,740,000</td>
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<tr>
<td><strong>Total WISHH</strong></td>
<td>$3,740,000</td>
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<tr>
<td><strong>SSGA</strong></td>
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</tr>
<tr>
<td>EU - European Union</td>
<td>$340,450</td>
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<tr>
<td>NA - North Asia</td>
<td>$189,550</td>
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<tr>
<td>SA - Southeast Asia</td>
<td>$1,375,448</td>
</tr>
<tr>
<td>WW - Worldwide</td>
<td>$150,000</td>
</tr>
<tr>
<td><strong>Total SSGA</strong></td>
<td>$2,055,448</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>$34,632,116</strong></td>
</tr>
</tbody>
</table>
USSEC MEMBERS  (As of February 2020)

ADM
Ag Processing Inc.
Agniel Commodities, LLC
Alabama Soybean Producers
Anchor Ingredients
Anderson International
Arkansas Soybean Promotion Board
BASF
Bayer Crop Science
Bluegrass Farms of Ohio
Brushvale Seed, LLC
Bunge North America
Cargill
CGB Enterprises, Inc.
CHS, Inc.
Citizens L.L.C.
Clarkson Grain Company Inc.
CME Group
CoBank
COFCO International Grains US
Commodity and Ingredient Hedging LLC
Corteva
DG Global
DuPont Nutrition
Fornazor International, Inc.
Gavilon Group LLC
Global Processing, Inc.
Grain Millers Specialty Products

Hang Tung Resources USA
Healthy Food Ingredients
(SK Food International, Inc.)
Illinois Soybean Association
Indiana Soybean Alliance
Inland Empire Milling Company, LTD
Insta-Pro International
International Feed
International Grains Program Institute
Intertek USA
INTL FCStone
IOM Grain LLC
Iowa Farm Bureau Federation
Iowa Soybean Association
Kansas Soybean Commission
Kentucky Soybean Promotion Board
KG Agri Products, Inc.
Knewtson Soy Products LLP
Landus Cooperative
Michigan Soybean Promotion Committee
Midwest Ag Enterprises Inc
Minnesota Department of Agriculture
Minnesota Soybean Research and Promotion Council
Missouri Department of Agriculture
Missouri Soybean Merchandising Council
Montague Farms, Inc.
National Oilseed Processors Association
Nebraska Soybean Board
Neco Seed Farms Inc
New York Corn & Soybean Growers Association
North Carolina Department of Agriculture and Consumer Services Marketing Division
North Carolina Soybean Producers Association
North Dakota Soybean Council
Northern Crops Institute
Northwest Grains International, LLC
Ohio Soybean Council
Pennsylvania Soybean Board
Perdue Agri Business, Grains and Oilseed Division LLC
Pipeline Foods
PURIS
R. J. O’Brien & Associates, LLC
Richland IFC, Inc.
Rogers Grain Inc.
Russell Marine Group
SB & B Food, Inc
Schwartz Farms
Scoular Company
South Dakota Department of Agriculture
South Dakota Soybean Processors, LLC
South Dakota Soybean Research and Promotion Council
Soyko International, Inc.
Speciality Soya and Grains Alliance
Star of the West Milling Company
Stone Arch Commodities
Syngenta
T. Parker Host
Tennessee Soybean Promotion Council
The Andersons
The Delong Company, Inc.
The Redwood Group, LLC
Thionville Laboratories
Trans Globe LLC
TransGraph Consulting Pvt.
US Nisshin Shokai
Virginia Department of Agriculture and Consumer Services
Wenger Manufacturing
Wheaton Grain Inc.
Wisconsin Soybean Marketing Board
Zeeland Farm Services Inc.
Market diversification continues to be a focus as we continue to build international preference and demand for U.S. Soy. Developing emerging markets is key as we work to facilitate future market development. As U.S. Soy closes existing gaps in per capita consumption growth, export opportunities grow.

Market access, both proactive and reactive engagement, is supported at every market stage and includes relationship management, crisis management, and policy advocacy that maximizes the U.S. Soy competitive advantage and minimizes potential trade barriers.

OUR 2020 VISION FROM JIM SUTTER, USSEC CEO