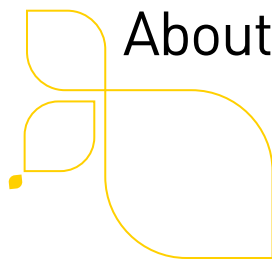




Sustainability Report 2019



EGG FARMERS
OF CANADA



About Egg Farmers of Canada

Now in its fifth decade as one of Canada's leading agriculture organizations, Egg Farmers of Canada (EFC) manages the national egg supply and promotes egg consumption while representing the interests of regulated egg farmers from coast to coast. Visit eggfarmers.ca for more information.

VISION

A world where everyone—whether it be due to want or need—can enjoy the immeasurable benefits of the humble egg.

MISSION

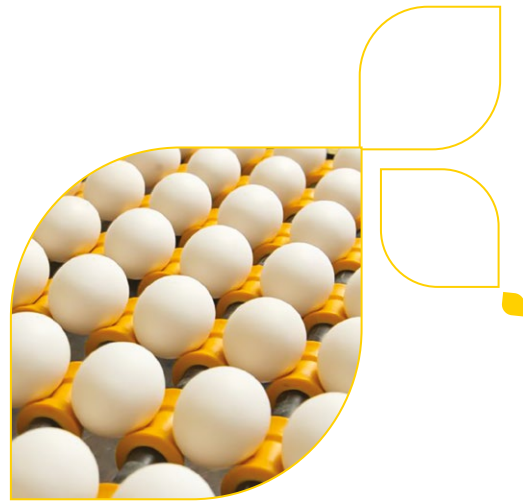
To position the Canadian egg industry as a leader in Canada's agricultural future through sustainable growth, continuous improvement and social responsibility, working collaboratively under the system of supply management to uphold the interests of all those who depend upon and enjoy our products.

THE EFC WAY

EFC believes in the inextricable link between social license and business success. We nurture our acceptance nationally, and in the broader international community—not just because it is the right thing to do but because it bolsters our aspirations of profitability and enhanced socio-economic development.

Legitimacy with our stakeholders and customers drives us each and every day. We respect and honour the trust the Canadian public provides to our industry under the system of supply management. Everything—from operations to policy development to governance—is approached with the utmost regard for: the communities, environment and society in which we operate; the well-being of our animals; and the health, safety and satisfaction of the millions of Canadians who enjoy and depend upon our product every single day.

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Message from the Chair



Egg farming follows a rhythm, with tasks that repeat every day and every season. It may seem those tasks never change, but they evolve over time. Our grandparents would be amazed to see how we do things today. Yet our ancestors would find it perfectly normal that the land still provides a living for their descendants. They planned it that way.

That's the thing about sustainability. It's a long journey, one that can't be measured in a single day, or a single season. The long-term viability of a farm operation happens only when we are able to adjust our daily tasks over time so that they tread ever more lightly on the environment.

This inaugural Sustainability Report shows how we egg farmers have made ourselves into leaders in agricultural sustainability by living sustainably every day, through every choice we make. It sets out a blueprint for how we can build on our current practices as we grow our industry, putting egg farming at the forefront of sustainable agriculture.

Over the past 50 years, Canadian egg production has increased by 50%, while the industry's environmental footprint dropped by almost 50%. We've achieved this by taking it upon ourselves to adopt new practices and embrace research that strengthens our industry. This report shows how we can build upon these results and do even better in the future.

That is why the activities outlined here are so important. They present a holistic approach to sustainability, along with a robust framework to chart our path forward. The approach is built around five pillars, which represent our commitments as we work to improve our industry's sustainability:

protecting the health and welfare of our hens; delivering safe, high-quality eggs to Canadians; finding new ways to make egg production more environmentally sound; enhancing the well-being of others; and empowering our people.

Creating this Sustainability Report required the contributions and collaboration of many people—from our value chain stakeholders who are sharing their own sustainability goals, to our more than 1,100 egg farmers and farm families that live and breathe sustainability every single day in the decisions they make at their individual farms. What unites us is a common vision to do our part to better ourselves and our practices, to push harder to lead the way to a sustainable future, and to work collaboratively to get there.

As an egg farmer, it makes me proud to see how deeply this commitment is embraced by my fellow egg farmers across the country. This leadership is essential. It inspires others to take steps and allows us to share our learning with our fellow egg producers from around the world.

The egg—nutritious, inexpensive, easy to prepare, and used in virtually all cuisines around the world—is in many ways the food of the future. The more sustainable egg production becomes, the more value the egg will have for future generations. That's why making egg production more sustainable is something we can all be proud of.

A handwritten signature in black ink, reading "R Pelissero".

Roger Pelissero
Chair, Egg Farmers of Canada

Message from the CEO



Sustainable agriculture is the way of the future, particularly when it involves a food like the egg. Used and appreciated in just about every one of the world's cuisines, the egg has truly global appeal. In addition, not only is it a critical ingredient in the food manufacturing and foodservice sectors, it is also finding more and more non-food uses. With the wide-spread and growing uses of eggs comes the responsibility to produce eggs sustainably—and this Sustainability Report will help egg farmers to communicate their past successes and challenges so our industry can contribute to global efforts to produce more food with fewer resources.

Consider this: The United Nations (UN) estimates that up to 690 million people around the world don't have enough to eat today, a figure that's rising with each passing year. The number of people who suffer from acute hunger—135 million right now—is expected to double by the end of 2020 because of the global COVID-19 pandemic.¹ As the UN notes, there needs to be a profound change in the global food and agriculture system if we are to feed the people who are hungry today, as well as the two billion extra people who will be living on our planet in just 30 years.

This Sustainability Report was born out of the real concerns of people in all parts of the egg industry as they looked to the future. In 2019, we undertook an extensive consultation across the egg value chain to identify and prioritize sustainability issues of greatest significance to Canadian egg farmers and our stakeholders. The consultation identified

eight priority sustainability issues, which focused our efforts and established the foundation for this, our first-ever Sustainability Report.

This document shows what Canadian egg farmers are doing to advance our vision of sustainable agriculture, it lists what's been accomplished so far, and it lays out goals for the future in a holistic way. We are already positioning ourselves as leaders in the sustainable agriculture movement—a movement that extends well beyond Canada's borders. For example, our approach to sustainability supports the UN Sustainable Development Goals and showcases how our industry is already contributing to global efforts to produce more food with fewer resources while delivering our product to vulnerable populations—and sharing these practices with our global peers through the International Egg Commission.

Canadian egg farmers have clearly demonstrated that sustainability, growth and profitability can work together. As Roger noted, our production has gone up while our environmental footprint has gone down. For that reason, I am confident that eggs, sustainably produced, will continue to play an essential role in future food systems around the world.

A handwritten signature in black ink, appearing to read 'Tim Lambert', is positioned above the printed name.

Tim Lambert
CEO, Egg Farmers of Canada

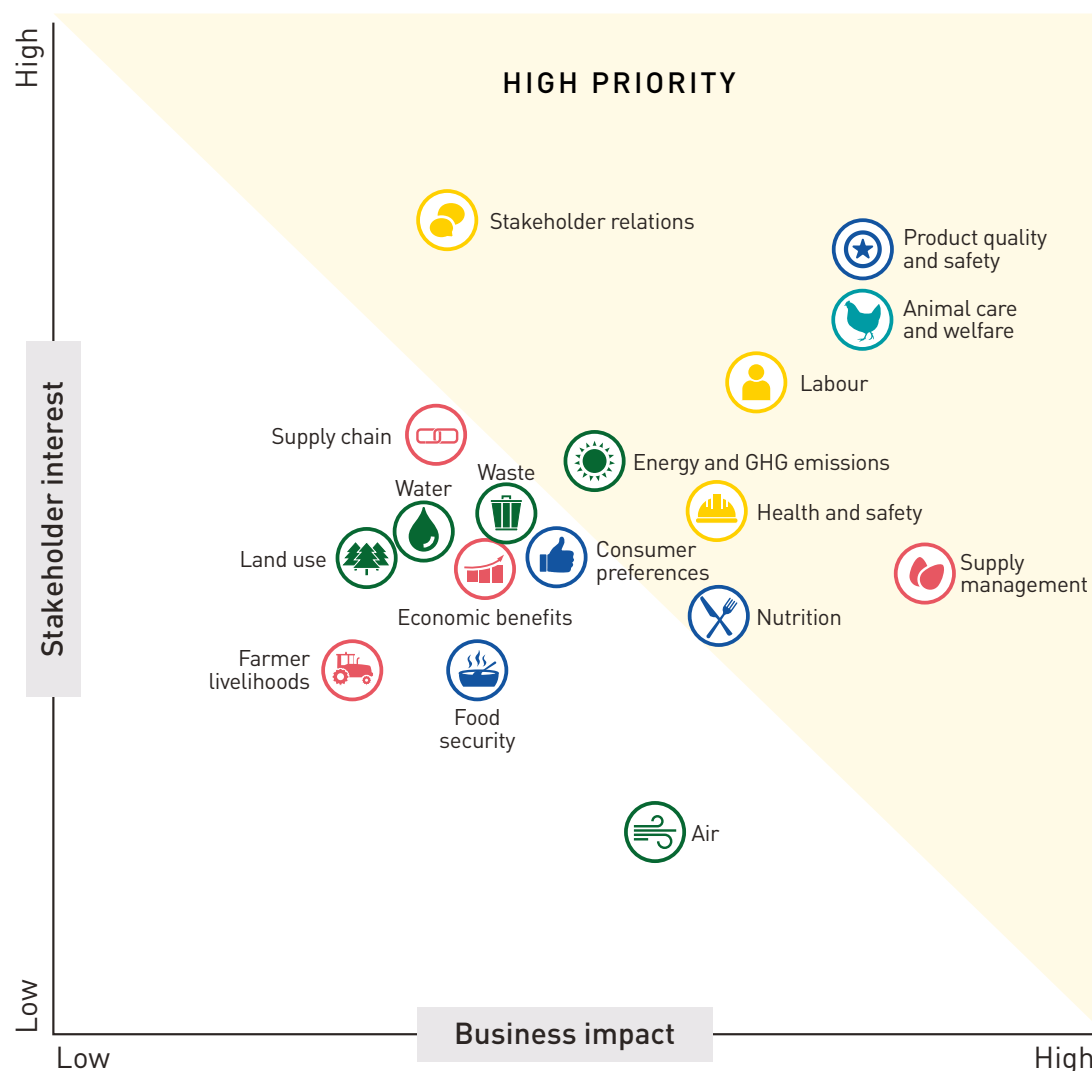
¹ United Nations Goal 2: Zero Hunger, 2020. Retrieved from <https://www.un.org/sustainabledevelopment/hunger/>.

Our approach to sustainability

DEFINING OUR PRIORITIES

The sustainability issues discussed in this report were identified through a comprehensive materiality assessment. This process allowed us to develop a sustainability framework that corresponds to the areas of greatest significance to Canadian egg farmers and our network of stakeholders. These priority issues, which are located in the upper right corner of the matrix below, inform the structure of this report.

Materiality matrix for the Canadian egg farming industry





CONDUCTING OUR MATERIALITY ASSESSMENT

Stratos Inc., a management consultancy specializing in sustainability, helped us conduct our materiality assessment. The Global Reporting Initiative's (GRI) Sustainability Reporting Standards, an international standard for sustainability disclosures, guided our efforts. This voluntary standard encourages organizations to provide balanced information around both positive and negative contributions to sustainable development.

A review of information from our downstream supply chain, value chain stakeholders, other associations, industry standards and leading practices was conducted to identify sustainability issues. Each issue was assessed for the degree of stakeholder interest and level of expected business impact. Stratos Inc. conducted interviews with key stakeholders—including input suppliers, pullet growers, egg graders and processors, customers, industry associations and non-governmental organizations—to rank the issues. A survey captured input from egg boards across Canada and assessed the financial, operational and reputational impacts of each issue on the egg farming sector.

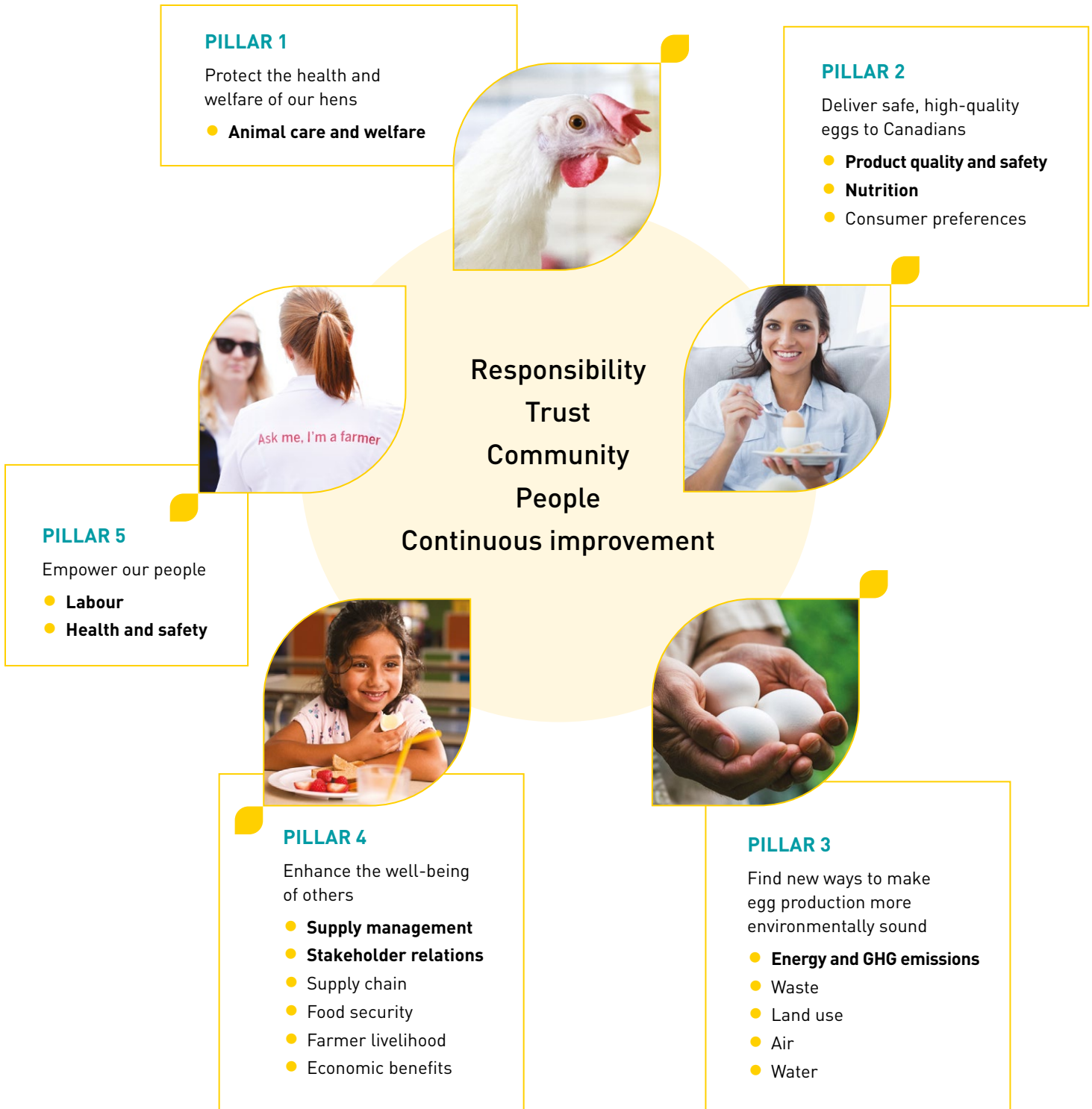
OUR SUSTAINABILITY FRAMEWORK

Our approach to sustainability is built around five pillars that inform our actions. These actions include the ability to act responsibly toward animals, the land and the environment. It is part of the work we do to foster trust in the eggs we produce, give back to our communities and continuously improve our products and processes. These efforts draw out the best in ourselves, the people we work with and the people all around us.

We understand **responsibility** because we work with animals. We understand **trust** because we produce a valuable food item for Canadians. We know the strength of **people** and **community** because so many egg farmers are small family operations anchored in rural regions where giving back is part of the social fabric. As business people, we know all about the bottom line, investing for the future and the importance of **continuous improvement**. These elements are at the core of our sustainability practices and central to our holistic view.

Building on the work of our 2018 Sustainability Story, we have integrated the priority issues identified through our materiality assessment into EFC's sustainability framework.

Five pillars of sustainability



WE SUPPORT THE UN SUSTAINABLE DEVELOPMENT GOALS

EFC supports the UN Sustainable Development Goals and is committed to working across our industry to build healthy communities, a greener environment and thriving rural communities. This approach to sustainable development provides an important framework to link our efforts to the broader global movement. For the purpose of this report, we identified goals that are most closely aligned with the priority issues identified by our materiality assessment, and reflect the impacts and contributions of the Canadian egg farming sector.

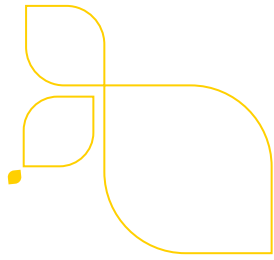
As such, the Canadian egg farming sector's sustainability efforts discussed in this report

support the following UN Sustainable Development Goals:

- Zero hunger
- Good health and well-being
- Affordable and clean energy
- Decent work and economic growth
- Industry, innovation and infrastructure
- Responsible consumption and production
- Climate action
- Life on land
- Partnerships for the goals

UN Sustainable Development Goals and egg farming



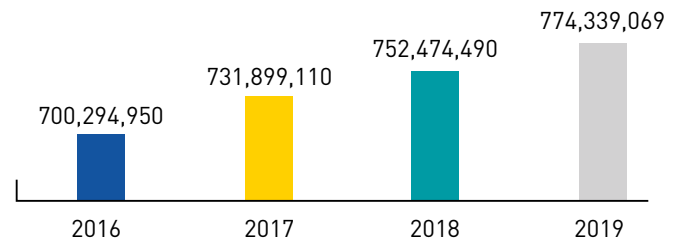


Our performance

2019 marked
**13 consecutive years
of growth** in the
retail sales of eggs.



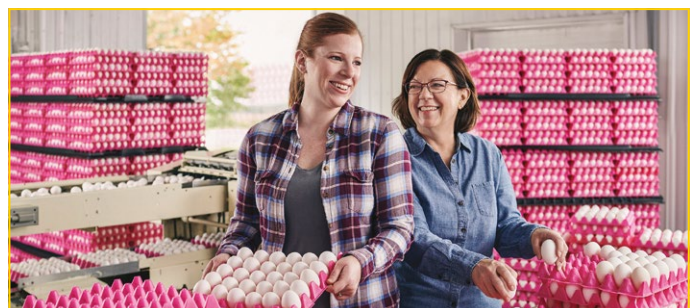
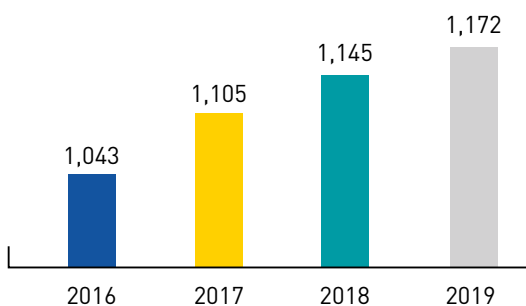
Total egg production in Canada



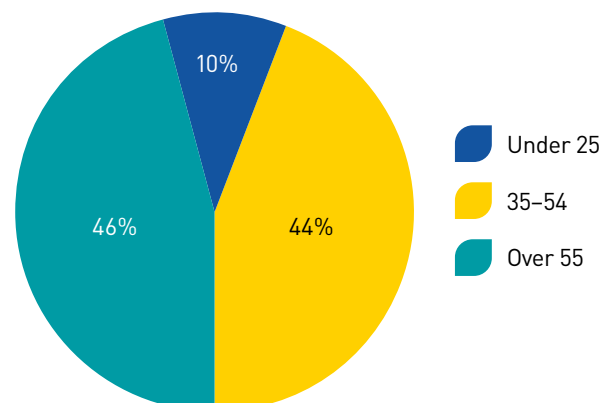
100% of egg farmers participate
in our national **Animal Care
Program** and **Start Clean-Stay
Clean®** program.



Total number of Canadian egg farms



Average egg farmers' age (2016)

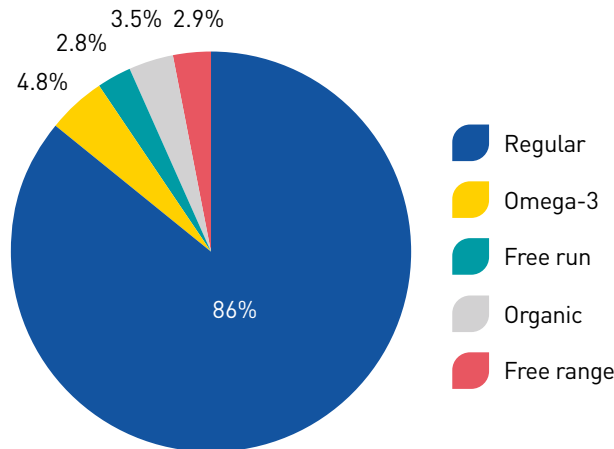




Dozens of academic research projects supported at 14 Canadian universities and research institutions.

Egg farming generates **\$1.17 billion** in farm cash receipts.

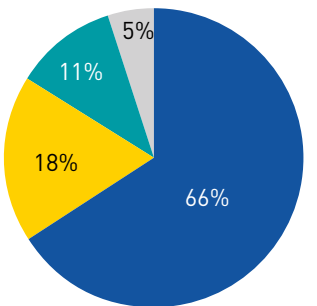
Total retail sales of eggs (2019)



Egg farming contributes **\$1.37 billion** to Canada's economy.



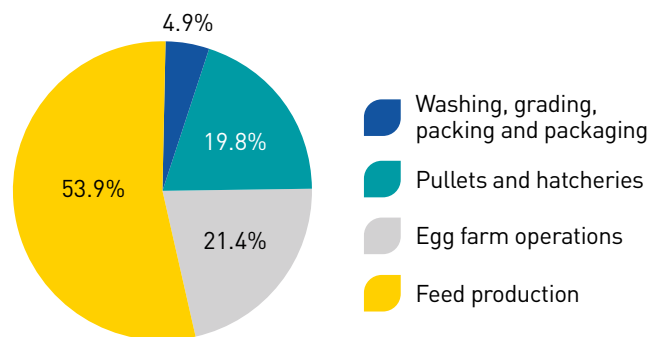
Total egg production by housing type (2019)



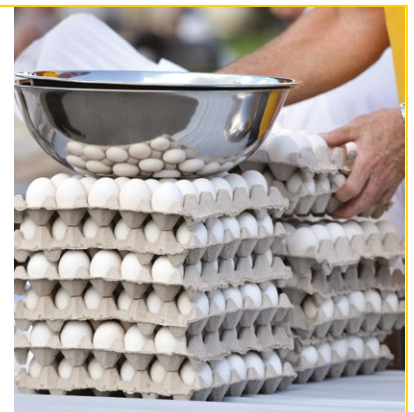
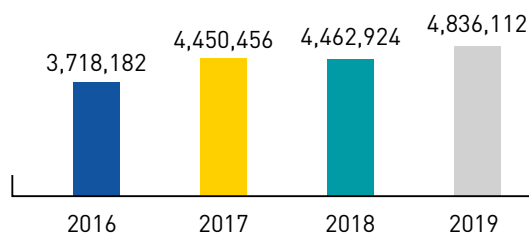
- Conventional
- Enriched colony
- Free run/Aviary
- Free range/Organic



GHG emissions for a dozen of eggs (2015)



Total eggs donated to food banks, breakfast programs and other charities





PILLAR 1: Protect the health and welfare of our hens

Today and as we prepare for the future, we are committed to excellence in animal care. Our challenge is to continue to press forward with new and improved initiatives, making the welfare of our animals a core pillar of our sustainability framework.

Animal care and welfare

OUR APPROACH

Like our customers and the Canadians that enjoy our product, we believe in the highest standards in animal care. All registered Canadian egg farmers take part in a comprehensive Animal Care Program. The program is administered by EFC and is based on the recommended *Code of Practice for the care and handling of pullets, layers and spent fowl*, which covers topics such as housing, husbandry practices, handling and barn conditions. The national Animal Care Program includes steps farmers must take to meet high standards in animal welfare, including 20 critical care requirements, three care requirements and 22 general requirements.

In place since 2005, the program has evolved to consider the latest science, technology and practices, further strengthening already high standards in animal welfare. It includes regular farm inspections

by a team of trained field inspectors, third-party audits to ensure a consistent application across the country, and enforcement mechanisms when the requirements are not met.

OUR PERFORMANCE

Inspections and audits

In 2019, 100% of Canadian egg farmers participated in the Animal Care Program, and an inspection or a third-party audit was conducted at all egg farms in support of the program. Trained field inspectors conduct annual inspections, and a third of all facilities are randomly selected for third-party audit. These inspections and third-party audits ensure all registered egg farms across Canada meet the same standards set in place through the Animal Care Program.

Inspections and third-party audits ensure all registered egg farms across Canada meet the same standards set in place through the Animal Care Program.



Farms that do not meet the program's requirements are issued corrective action requests and are required to address the issue and drive improvement. In 2019, 696 corrective action requests for Critical Care Elements (CCEs) were issued—requirements which must be met in order to pass the Animal Care Program—and all matters were resolved within the designated timeframe. Farmers issued a corrective action request for a CCE are required to resolve the request within 60 days or lose their Egg Quality Assurance (EQA™) certification.



Total animal care inspections

| | 2016 | 2017 | 2018 | 2019 |
|--------------------|------|------|------|------|
| Inspections | 976 | 865 | 943 | 912 |

Total animal care audits conducted by an independent third-party auditor

| | 2016 | 2017 | 2018 | 2019 |
|---------------|------|------|------|------|
| Audits | 181 | 201 | 217 | 266 |

Total CCE requests issued under the Animal Care Program

| | 2016 | 2017 | 2018 | 2019 |
|---------------------|------|------|------|------|
| CCE requests | - | - | 684 | 696 |

Percentage of resolved CCEs under the Animal Care Program

| | 2016 | 2017 | 2018 | 2019 |
|----------------------|------|------|------|------|
| Resolved CCEs | - | - | 100% | 100% |

Research insights

We work with industry partners, animal welfare experts and academic institutions to address challenges and emerging issues in the area of animal welfare. Our research program supports dozens of animal welfare research projects such as the influence of alternative housing systems on hen health, understanding feather cover in laying hens and the role of omega-3 fatty acids in bone development in pullets.

Our network of research chairs, which includes Dr. Tina Widowski, EFC's Research Chair in Poultry Welfare at the University of Guelph, has been fundamental in advancing our understanding of hen welfare. Dr. Widowski's body of work contains foundational studies on enriched colony housing systems and the impact on hen productivity and well-being, among other findings. Our investment in evidence-based research is further leveraged through partnerships with the Canadian Poultry Research Council (CPRC), Poultry Innovation Partnership and the Egg Industry Center.

Redevelopment of the Animal Care Program

Just like any strong industry, the egg farming sector is looking for opportunities to improve. As such, we are actively redeveloping the national Animal Care Program to include the requirements of the updated Code of Practice. The update is guided by the National Farm Animal Care Council

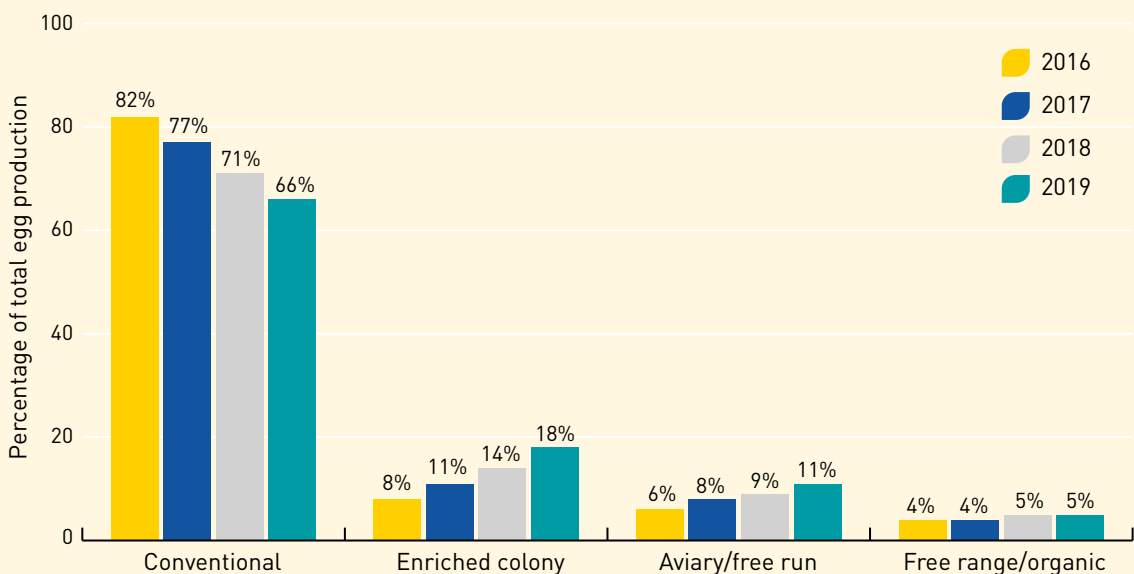
of Canada’s (NFACC) Animal Care Assessment Framework and draws input from stakeholders across our value chain. Implementing the new standards has already started, with the release of Interim Housing Standards in 2019. We anticipate the full program will roll out in 2022, following a transition period.

A national, coordinated housing transition



The Canadian egg farming industry has proactively moved to eliminate conventional methods of egg production from our food system. As of 2016, no new conventional housing systems were built in Canada. By 2036, all eggs in Canada will be produced in enriched colony, free run, aviary and free range systems, assuming current market conditions continue. This enormous task requires coordination across the supply chain to maintain affordable products and choices for consumers, while also avoiding market shortfalls or surpluses. It also takes into consideration critical factors including hen health and welfare, economics, food safety, workers’ health and safety, and the environmental impact of egg production.

Significant progress has been made in phasing out conventional housing systems and diversifying production methods. In the four years since the transition plan was announced, there has been a steady decline of conventional methods of production while alternative systems have increased. Conventional production has dropped to approximately 66% of total egg production in 2019, with 34% of egg production in alternative systems. Demand for all product varieties is met and EFC estimates that conventional production methods will be completely phased out by 2032—four years ahead of the 2036 deadline.

Percentage of total egg production by housing system



OUR FOCUS

| Focus | Highlights | Status |
|---|---|---|
| By 2022, achieve NFACC recognition of the Animal Care Program | Ongoing work towards NFACC recognition of the Animal Care Program through the Animal Care Assessment Framework |  |
| Achieve federal government recognition of the Animal Care Program | Engaged in advocacy work to encourage a federal government recognition framework for animal welfare programs |  |
| On an annual basis, release new resources and training material as required | Released Interim Housing Standards in 2019, offering guidance to farmers Launched preliminary Animal Care Program audit of new entrants to ensure a full understanding of program requirements |  |
| Release the redeveloped Animal Care Program | Animal Care Program Redevelopment Project Team continued to meet to design program |  |
| By 2022, achieve NFACC recognition for national animal care program for pullet growers | Animal Care Program Redevelopment Project Team continued to meet to design a national animal care program for pullets |  |
| By 2036, eliminate all conventional housing systems | Released new programs and resources to support an orderly transition to alternative systems On track to have a full phase out of conventional systems by 2032—four years ahead of schedule |  |



Complete



Incomplete



On track



Ongoing



PILLAR 2: Deliver safe, high-quality eggs to Canadians

Canadians trust egg farmers to deliver safe, healthy, high-quality and nutritious eggs. Every day our farmers work hard to maintain and enhance that trust by protecting the health of their hens, maintaining the highest standards in handling and storing eggs, and promoting best practices for cooking with eggs.

Product quality and safety

OUR APPROACH

The eggs delivered to our customers meet world-class standards for food safety through our national Start Clean-Stay Clean® program. This HACCP-based program draws on an internationally accepted approach to prevent, reduce or eliminate food safety hazards. In place since 1983, the program identifies biological, chemical and physical hazards, including *Salmonella* Enteritidis (SE) and other foodborne pathogens. The program includes five Critical Control Points (CCPs) and over 100 additional elements to prevent, reduce or eliminate risks to food safety.

The Start Clean-Stay Clean® program was developed with input from leading food safety experts, regulators and farmers. It consists of best management practices and verification procedures in the areas of egg collection and storage, facility hygiene, pest control, biosecurity and record keeping. The program includes regular farm inspections and enforcement mechanisms when requirements of the program are not met, and it is reviewed semi-annually to ensure alignment with the latest scientific information, technical advancements, government regulations and best practices. In 2007, the program was acknowledged by the Canadian Food Inspection Agency (CFIA) as being technically sound and is reassessed every 18-months to maintain the recognition. EFC is actively working towards full recognition of the Start Clean-Stay Clean® program under CFIA's Farm Food Safety Recognition Program.

Research insights

Since 2015, EFC has invested in six research projects in the area of food safety, including the role of shell protein in controlling bacteria in eggs and reducing *Salmonella* through in ovo (i.e. in egg) vaccinations. EFC continues to seek ways to support research that addresses food safety concerns by including food safety as a research priority. New solutions and opportunities are also identified through research partnerships with the CPRC. In fact, food safety was one of three priority areas for CPRC's most recent call for research proposals. This growing body of research helps inform best practices in the mitigation or prevention of food safety issues.

OUR PERFORMANCE

Inspections and audits

In 2019, 100% of egg farmers participated in the Start Clean-Stay Clean® program and a total of 1,178 inspections were conducted. Farmers must attain a score of 90% and achieve full points for all CCPs to maintain their certification. Farms that do not meet the program's requirements are immediately issued a corrective action request and are required to address the issue. In 2019, 50 CCP requests were issued and resolved. Farmers issued a corrective action for a CCP are required to resolve the request within seven days or lose their EQA™ certification.

Total Start Clean-Stay Clean® inspections

| | 2016 | 2017 | 2018 | 2019 |
|-------------|-------|-------|-------|-------|
| Inspections | 1,033 | 1,050 | 1,145 | 1,178 |

Total CCP requests issued under the Start Clean-Stay Clean® program

| | 2016 | 2017 | 2018 | 2019 |
|--------------|------|------|------|------|
| CCP requests | - | - | 52 | 50 |

Percentage of resolved CCPs under the Start Clean-Stay Clean® program

| | 2016 | 2017 | 2018 | 2019 |
|---------------|------|------|------|------|
| Resolved CCPs | - | - | 100% | 100% |

Proactive management of *Salmonella Enteritidis*

As part of the food safety standards and protocols under the Start Clean-Stay Clean® program, egg farmers proactively test for SE in the barn environment. In the rare case of a positive SE test, immediate action is taken to divert the eggs from the farm to breaking plants where they are converted to liquid egg and pasteurized (pasteurization kills *Salmonella*). This protocol, known as the National SE Protocol, is reviewed every five years and is a key part in proactively maintaining the safety of our eggs.

Hens receive antimicrobials in specific circumstances and farmers follow mandatory withdrawal times to ensure the eggs are free of antimicrobial residues. Since 2018, Health Canada required veterinary oversight for the use of any antibiotics of human importance on Canadian farms.



Antimicrobial use in Canada's egg industry

Antimicrobials are not routinely used in egg farming. They are only used to treat diseases, which is part of the farmers' welfare responsibility to treat their flocks. Hens receive antimicrobials in specific circumstances and farmers follow mandatory withdrawal times to ensure the eggs are free of antimicrobial residues. Since 2018, Health Canada required veterinary oversight for the use of any antibiotics of human importance on Canadian farms.

EFC has partnered with the Canadian Integrated Program for Antimicrobial Resistance Surveillance (CIPARS), which conducts surveillance to monitor trends in antimicrobial use and antimicrobial resistance at the farm-level. As a member of the International Egg Commission, EFC supports the global egg industry's position on antimicrobials, which promotes and encourages the responsible use and reduction of antimicrobials. EFC is both a supporter and participant in the development of Canadian antimicrobial initiatives such as the Canadian Federal Action Plan on Antimicrobial Resistance and Use in Canada, the Pan-Canadian Framework for Action, and the upcoming Pan-Canadian Action Plan. These efforts, as well as our investment in scientific research, furthers our understanding of antimicrobials and is helping to guide improvements and identify new alternatives.

Our new Egg Quality Assurance™ certification program

Canadian egg farmers have made it easier to identify top-quality eggs. The EQA™ certification is an industry-wide initiative that certifies Canadian eggs produced to strict food safety and animal welfare standards. Farmers must meet the requirements of the Start Clean-Stay Clean® program and national Animal Care Program to receive and maintain their EQA™ certification.



Enhancing food safety through traceability standards






To strengthen our supply chain from farm to retail, EFC has developed the Canadian Egg Industry Traceability System (CEITS) in partnership with industry stakeholders. This coordinated traceability system across the egg supply chain was informed through consultation, concept trials and recommendations from working groups and experts.

Under the CEITS, EFC and our supply chain follow a voluntary set of requirements for egg and hen traceability. Through this system, we are able to track and identify hens, eggs or egg products in the rare event of animal or human health issue. This approach further enhances food safety and animal care standards, and response times across our supply chain.

Strengthening the Start Clean-Stay Clean® program

To ensure alignment with the latest scientific information, technical advancements, government regulations and best practices, the Start Clean-Stay Clean® program was enhanced in 2019 through its semi-annual review process. The program was strengthened to better support the National SE Protocol, making twice per flock environmental sampling and testing for SE a CCP. Additional revisions to the Start Clean-Stay Clean® program as a result of the review included amendments to technical training, range and litter management, disposal of mortalities, and pest control requirements. These adjustments strengthen the already high food safety standards in place on Canadian egg farms.

OUR FOCUS

| Focus | Highlights | Status |
|---|--|---|
| Maintain part 2 of CFIA recognition of the Start Clean-Stay Clean® program | Part 2 CFIA recognition achieved following the 18-month reassessment |  |
| Achieve part 3 recognition of the Start Clean-Stay Clean® program under CFIA's Farm Food Safety Recognition Program | Working towards alignment across of all egg boards to advance part 3 of CFIA's recognition |  |
| Ensure the Start Clean-Stay Clean® program reflects best practices and latest industry research through semi-annual review process | A semi-annual review of the Start Clean-Stay Clean® program was conducted in 2019, which saw the implementation of twice per flock testing for SE as a CCP, amendments to technical training, range and litter management, disposal of mortalities and pest control requirements |  |
| Conduct a review of the National SE Protocol every 5 years | The National SE Protocol Review Project Team conducted an in-depth review of the protocol in 2019 An updated protocol was released, which will be implemented on January 1, 2021 |  |
| Support national efforts that drive responsible antimicrobial use and changes in policies | Contributed to consultations and dialogue that furthered national action plans and other frameworks Leveraged communications resources to mobilize information and keep farmers up-to-date on items related to antimicrobial use |  |



Complete



Incomplete



On track



Ongoing



Nutrition

OUR APPROACH

A significant body of evidence backs the nutrition story of the humble egg and we proudly share that story through a range of programs, partnerships and touchpoints. Eggs are a natural and wholesome food, containing many important nutrients and 6.5 grams of the highest-quality protein. They are one of the most nutrient-dense foods available and are ideal for all stages of life to help meet the nutritional requirements. Eggs also play a role in weight management, muscle strength, healthy pregnancy, brain function, eye health and more.

Research indicates eating eggs with vegetables increases our body's ability to absorb nutrients. Eggs are a key part of the 2019 update to Canada's Food Guide as a recommended protein food.

Our work with groups like the Egg Nutrition Center (ENC), which conducts scientific research that examines the nutritional benefits of eggs, and our efforts to track the latest developments in nutrition science, inform this work. Our outreach to healthcare professionals and continuing education programs further share the role of eggs in balanced diets. These efforts increase awareness of the role of eggs in healthy eating patterns, while identifying segments of the Canadian population whose diets are enhanced with eggs.

OUR PERFORMANCE

Nutritional value of the egg

Studies have consistently shown eggs fit into many healthy eating patterns. For example, research indicates eating eggs with vegetables increases our body's ability to absorb nutrients. Eggs are a key part of the 2019 update to Canada's Food Guide as a recommended protein food. Among other important findings, recent nutrition research confirmed eggs have a place in a healthy diet

for people with diabetes. Eggs are also uniquely positioned to help address nutritional deficiencies in Canada’s Northern communities, which are susceptible to inadequate intakes and deficiencies in vitamins A and D, folate and iron—all of which are found in nutrient-rich eggs.

Eggs are also uniquely positioned to help address nutritional deficiencies in Canada’s Northern communities, which are susceptible to inadequate intakes and deficiencies in vitamins A and D, folate and iron—all of which are found in nutrient-rich eggs.

By promoting this extensive body of nutrition science information to healthcare professionals and consumers, we are helping more Canadians tap into the benefits of eating eggs. Efforts concentrate on discussing the role of eggs regarding heart health, cholesterol, fitness, diabetes and infant feeding, among other topics. We are also building an understanding of public health challenges in our communities to identify opportunities where eggs can have an impact on the health of our fellow Canadians. We pride ourselves on offering clear, easy-to-understand nutrition information and providing input in discussions that shape nutrition policy in Canada.

In 2019, we launched a new partnership with Diabetes Canada to offer resources and tips to help Canadians living with type 2 diabetes integrate eggs into their diet. We also expanded product donations in Northern communities through partnerships with Food Banks Canada and Breakfast Club of Canada.

Per capita egg consumption in Canada²

| | 2016 | 2017 | 2018 | 2019 |
|-----------------------------------|------|------|------|------|
| Annual egg consumption per capita | 240 | 242 | 253 | 256 |

² Statistics Canada, 2019.

Research insights

EFC has supported 10 research studies focused on human nutrition and health, and a dozen more research initiatives through our partnership with ENC. These studies looked at dietary cholesterol and blood absorption, and the relationship between egg yolk supplements and pulmonary health, for example. Our partnership with the ENC allows us to further support important research in this area, such as the role eggs play in cognitive development and health in various stages of life. Additionally, our participation in the International Egg Nutrition Centre allows us to tap into egg nutrition resources and research insights developed by members of the global egg community.



OUR FOCUS

| Focus | Highlights | Status |
|---|--|---|
| Provide clear and credible nutrition information to Canadian healthcare professionals | <p>Distributed thousands of nutrition resources for healthcare professionals and patients in 2019</p> <p>Engaged healthcare professionals in dialogue by taking part in national healthcare conferences</p> <p>Optimized continuing education materials for healthcare providers on key topics such as cholesterol, infant feeding and allergies</p> |  |
| Deliver clear and reliable information to Canadians to encourage healthy eating habits through our nutrition program | <p>Developed mass-reaching nutrition content to relevant consumer audiences</p> |  |
| Increase the availability of eggs to vulnerable Canadians and children at critical developmental stages | <p>Delivered over 1.8 million eggs to 35 community food banks across Canada</p> <p>Increased donations to food banks in remote and northern regions by 200% in 2019</p> <p>Delivered over 491,000 eggs to Breakfast Club of Canada's network of schools in 2019</p> <p>Partnered with Heart for Africa, Canadian Food For Children and the International Egg Foundation to deliver eggs to thousands of people in over 25 countries around the world</p> |  |
| Identify new partnerships opportunities where eggs can have an impact on the health of Canadians | <p>Worked hand-in-hand with Diabetes Canada to promote egg nutrition</p> |  |
| Contribute to dialogue that shapes nutrition policies and shares key learnings with global partners | <p>Participated in government consultations related to Canadian nutritional guidance and nutrition labelling</p> <p>Maintained nutrition backgrounders of scientific evidence related to the health implications of eggs</p> <p>Contributed to the International Egg Nutrition Centre, sharing egg nutrition information and evidence with others</p> |  |



Complete



Incomplete



On track



Ongoing

Brain food for kids

Eggs are nutrient dense, containing Vitamin A, Vitamin D, iron, choline and more. For children, choline plays a strong role in brain development and function, affecting areas of the brain responsible for memory and learning. That is why we are proud supporters of Breakfast Club of Canada, a non-profit organization that provides funding, equipment, food, training and services to school breakfast programs across Canada.

For Breakfast Club's Program Coordinator Chloe Costa, adding an egg to a balanced breakfast "helps prevent hunger as they are a great source of protein which is necessary for many things in the body, including building and repairing muscles and organs as well as essential vitamins including iron." Together with Breakfast Club of Canada, we are providing the valuable nutrients found in eggs to children nationwide.





PILLAR 3: Find new ways to make egg production more environmentally sound

We are taking steps to reduce our environmental impact, improve the efficiency of our operations and use resources more wisely. By continuously improving our performance, we are leaving a proud legacy for future generations of farmers and Canadians.

Environmental management

OUR APPROACH

Egg farmers today have a deep understanding of the environmental impact of their farming operation. By investing in research and initiatives that drive farm-level improvements, farmers are reducing emissions that impact air, water and soil. Wind and solar energy are increasingly being used to power farms—and a unique egg barn has even achieved net-zero emissions.

Life-cycle thinking and a rigorous analysis of the performance in our sector over a period of 50 years inform our work. In fact, this research found that between 1962 and 2012, our industry reduced energy usage by 41%, decreased water consumption by 69% and minimized our land footprint by 81%.³ Establishing these benchmarks was a significant undertaking and this baseline data focuses our environmental efforts. Technology plays a major role in this pillar, with precision agriculture techniques and predictive analytics helping us operate more efficiently.

World Resource Institute protein scorecard⁴

| | FOOD | IMPACT (GHG emissions per gram of protein) | COST (Retail price per gram of protein) |
|--------|---------------------------|--|---|
| LOW | Wheat | | \$ |
| | Corn | | \$ |
| | Beans, chickpeas, lentils | | \$ |
| | Rice | | \$ |
| | Fish | | \$\$\$ |
| | Soy | | \$ |
| | Nuts | | \$\$\$ |
| | Eggs | | \$\$ |
| MEDIUM | Poultry | | \$\$ |
| | Pork | | \$\$ |
| | Dairy (milk, cheese) | | \$\$ |
| HIGH | Beef | | \$\$\$ |
| | Lamb & goat | | \$\$\$ |

Lighter shade shows emissions from agriculture production, darker shade shows emissions from land-use change.

³ Pelletier, N., Changes in the life cycle environmental footprint of egg production in Canada from 1962 to 2012, 2016.

⁴ World Resource Institute Protein Scorecard, 2016. Retrieved from <https://www.wri.org/resources/data-visualizations/protein-scorecard>.

Research insights

Environmental sustainability is a priority research area for EFC—and we invest in a variety of projects in this area at universities and institutions across Canada. This includes new research that evaluates improvements from a circular economy standpoint, measures to reduce the carbon footprint and ammonia emissions from egg production, and precision agriculture techniques.

Our Research Chair in Sustainability, Dr. Nathan Pelletier at the University of British Columbia Okanagan, has built an impressive research program focused on sustainability measurement, management and life-cycle thinking. This body of work is already identifying opportunities for egg farmers to improve resource efficiencies, reduce emissions and benchmark with their peers. Dr. Pelletier's work strengthens our knowledge in this area, creating Canadian-specific datasets, tools and approaches.

Eggs also have the natural advantage of being among the most efficient forms of animal protein. As we continue to improve the sustainability of egg production, they will increasingly be a food of the future.

OUR PERFORMANCE

Our journey towards a greener, more sustainable industry is built on a vision of continuous improvement and collaboration. Farmers are always finding ways to do things better and more efficiently, and as a collective sector, we draw on partnerships to drive improvements across our supply chain. Not only will this uphold our position as the lowest-impact form of animal protein, it also takes into consideration the projected growth of demand for our product over the next decades.

























In 2015, we conducted a life-cycle assessment to better understand how egg production affects the environment through resource use and emissions. From this foundational study, we learned the breakdown of the total environmental footprint to produce a dozen eggs in Canada, which includes everything from feed production through to transportation. While egg production has a low carbon footprint compared to other sources of animal protein, the most significant contributor to the environmental footprint of egg production are acidifying and eutrophying emissions.

Some of the main contributors of acidifying and eutrophying emissions in egg production are manure management and the fertilizer used to grow feed, which release ammonia, phosphates and nitrates into the environment and affect the air, soil and water. These impacts are important factors farmers take into consideration when developing tactics to improve their environmental performance, and at the same time protect the welfare of hens and farm workers. Farms employ standard operating procedures and technology to reduce ammonia levels in their barns, improve the handling and storage of manure and increase feed efficiency.

To build upon these efforts, we are working toward launching a new decision-making tool to inform farm-level sustainability activity and decision-making, while also allowing farmers to benchmark against their peers. Anticipated to be released in 2021, the National Environmental Sustainability Tool (NEST) will offer regional benchmarking in the area of resource efficiency, goal setting and measurement to track progress, allowing us to tackle the next chapter of sustainable egg production.

Total resource use and emissions of the Canadian egg industry⁵

| Contributors | | | | | |
|---------------------------------|-----------------------|---|---|---|---|
| | Pullets | Feed | Water used on farm | Energy used on farm | Manure management |
| Environmental impact categories | Acidifying emissions |  |  |  |  |
| | Eutrophying emissions |  |  |  |  |
| | GHG emissions |  |  |  |  |
| | Energy use |  |  |  |  |
| | Land use |  |  | | |
| | Water use |  |  |  |  |

Waste management at the farm-level and beyond

While waste did not emerge from our materiality assessment as a priority issue, EFC has included it in our environmental performance goals. We have done this because of the significant impact it has on the water, soil and air that surround our farms, and the opportunity to advance our practices.

Farmers employ management techniques and technologies to address waste streams such as manure. These practices are essential to manage air quality, protect soil and water, and reduce overall waste. New technology allows farmers to extract nutrients from manure, while waste valorization and circular economy thinking is offering new

alternatives to reuse and repurpose waste. Our work in this area is focused on investing in initiatives that will provide farmers with self-assessment and decision-making tools as they make environmental and economic decisions.

When it comes to reducing food loss and waste, our approach to producing eggs plays an important role. Because egg farmers work together through Canada's system of supply management, they produce only what the market requires and have the tools to adjust to changing conditions. This coordinated approach to egg production allows us to work with our downstream partners to increase efficiency, minimize food waste and redirect surplus eggs to new markets.

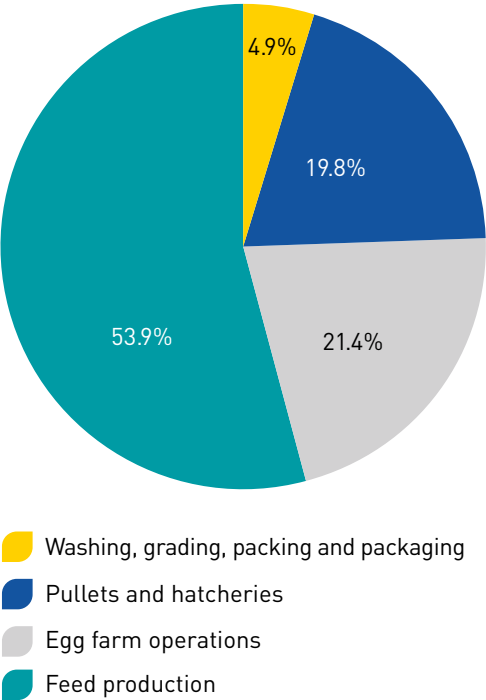
⁵ Global Ecologic Ltd., Environmental Life Cycle Assessment of the Canadian Egg Industry, 2015.

GHG emissions and energy use

Eggs are the lowest impact animal protein and their carbon footprint is comparable to some plant protein sources. Next to feed production, farm-level activity is the largest contributor of GHG emissions, representing approximately 21.4% of total emissions. This is mainly due to energy usage to heat and cool barns, as well as lighting and ventilation systems for the operation.⁶

Many farms have introduced LED lighting and active cooling systems to improve energy efficiency. Others are drawing on renewable energy sources, such as wind turbines and solar panels, to power their operations. The introduction of these energy efficiencies has helped reduced GHG emissions by 72% in the Canadian egg industry between 1962 and 2012—and with new technology and opportunities to collaborate across the supply chain on the horizon, there are even more opportunities to enhance performance.

GHG emissions for a dozen of eggs⁷



Monitoring land use and feed efficiency



While the greatest contributor of land-related impacts through the egg supply chain is the land used to grow feed, we also recognize that our customer-driven shift to alternative production methods affects the land. For example, free run production systems require close to four times as much land, and upwards of 15% greater feed use when compared to conventional systems. Free range production systems require even greater land use and up to 33% more feed use.⁸ Land use did not emerge from our materiality assessment as a priority issue; however, EFC has included it to our environmental performance goals given how closely this issue is linked to our shift to alternative production methods and the projected growth of demand for our product.

Feed is another important consideration when it comes to land use. This involves assessing not only how feed is produced, but also investing in the science behind new techniques and technology to improve uniformity and efficiencies in the diets of hens. This allows farmers to monitor feed intake in real-time, and helps to identify ways to optimize feed consumption.

⁶ Pelletier, N., Doyon, M., Muirhead, B., Widowski, T., Nurse, J., and Hunniford, M., Sustainability in the Canadian Egg Industry — Learning from the Past, Navigating the Present, Planning for the Future, 2018.
⁷ Global Ecologic Ltd., Environmental Life Cycle Assessment of the Canadian Egg Industry, 2015.
⁸ Promar International, Impacts of banning cage egg production in the United States, 2009.

OUR FOCUS

| Focus | Highlights | Status |
|--|--|---|
| <p>By 2021, launch Light NEST tool to farmers across Canada to inform sustainability decision-making and benchmarking</p> <p>By 2022, launch full NEST tool to farmers across Canada to inform sustainability decision-making and benchmarking</p> | <p>Consultation to design Light NEST tool took place in 2019</p> |  |
| <p>Increase use of green technology on Canadian farms</p> | <p>Mobilized research findings and case studies in the areas of environmental sustainability, technology and innovation to disseminate insights to farmers</p> |  |
| <p>Launch a Canadian coalition for sustainable eggs in 2021 to explore opportunities to improve sustainability across our supply chain</p> | <p>Started a process to assess membership of coalition group against priorities issues identified in this Sustainability Report</p> |  |
| <p>Take an active role in capturing and evaluating data and information as it relates to environmental sustainability to drive continuous improvement</p> | <p>Tested and piloted new data solutions and platforms to increase our capabilities, while also creating new value</p> |  |
| <p>Share best practices in environmental management and Canadian insights with global peers</p> | <p>Engaged in the International Egg Commission Environmental Sustainability Expert Group, offering Canadian perspective with global peers</p> |  |

 Complete
  Incomplete
  On track
  Ongoing

What's a net-zero egg barn?

As the shift towards green technology and innovation is happening across Canada, the Brant Hutterite Colony in southern Alberta is leading the way with its net-zero journey. This farm is home to Canada's first ever net-zero egg barn, which means the amount of energy used by the building is equal to the amount of renewable energy created on-site.

Under the guidance of Egg Farmers of Alberta, the Brant Hutterite Colony undertook the new barn construction in 2014. Among the measures and technology adopted by the farm, the roof was lined with 100 solar panels to power the equipment inside the barn. The barn was constructed with extra thick walls, in-floor heating and has a state-of-the-art heat recovery ventilator that uses less energy to heat up inbound air. It has been six years since the net-zero barn was built—and in that short amount of time, the Brant Colony has achieved their electricity net-zero target for their layer barn.





PILLAR 4: Enhance the well-being of others

Advocating for farmers, meeting consumer demand for local food, and engaging in partnerships to reduce hunger in Canada and around the world are the heart of this pillar. We work collaboratively through supply management to uphold the interests of those who depend upon and enjoy our products every single day.

Supply management

OUR APPROACH

The system of supply management is an important part of our sustainability story. It offers egg farmers stability and a foundation to plan for the future, while delivering the inexpensive, high-quality eggs that Canadians want and enjoy. It gives farmers a voice, supports rural communities and ensures the tradition of family farms is passed from generation to generation. This makes the entire agriculture sector stronger by contributing to the food sovereignty of our country, and is why the vast majority of Canadians (80%) agree the supply management system is both important and valuable.⁹

Supply management provides farmers with stability and predictability while delivering high-quality eggs for Canadians.

OUR PERFORMANCE

Supply management provides farmers with stability and predictability while delivering high-quality eggs for Canadians. As the 2020 COVID-19 pandemic demonstrated, the security of food supply chains is critical, and supply management is the reason why Canadians did not experience persistent shortages of eggs or drastic price increases. Not only does this

What is supply management?

Canada's egg farmers work together through the system of supply management. The system manages the supply of eggs by matching domestic production with demand and imports. Farmers agree to follow a consistent set of rules and standards, and receive a fair return for their work. Supply management has helped build a sustainable egg industry while delivering a stable supply of eggs of local production.


approach to producing eggs benefit consumers, it also means farmers make a decent living and delivers economic stability to many rural communities and our overall economy.

At the heart of our work is a social contract between Canadians and our farmers. As such, we are committed to operating the system with integrity and transparency, working with our industry partners and stakeholders to identify new efficiencies, provide fair returns for farmers, and ensure affordable products for consumers. We are proud of the role we take in driving collaboration across our sector, strengthening the voice of farmers, and working as a strong, united collective. Looking ahead, we are committed to bolstering the security of Canada's food supply by continuing to work across the egg farming sector and by expanding supply management to new regions.

⁹ Leger, 2018.

OUR FOCUS

| Focus | Highlights | Status |
|--|---|---|
| Deepen the connection between egg farmers and Canadians | Hosted and participated in dozens of events, farm tours and engagements that connected egg farmers with Canadians |  |
| Provide input and contribute to dialogue that shapes agricultural policies in Canada | Participated in government consultations related to a national Food Policy for Canada and ongoing advocacy work to share the viewpoint of Canadian egg farmers |  |
| Uphold public support for Canadian eggs and egg products | Public opinion polling confirmed overwhelming support and preference for Canadian eggs and egg products, with 92% of Canadians saying it is important that the eggs they consume come from Canada ¹⁰ |  |

 Complete
  Incomplete
  On track
  Ongoing

Stakeholder engagement

OUR APPROACH

An egg farm is a testament to the power of working together, and our industry appreciates the power of partnerships. We are committed to two-way dialogue with our partners and stakeholders so we can draw on each other’s expertise to support a thriving Canadian egg farming industry that benefits everyone. These relationships are essential in helping us meet our sustainability ambitions and grow our sector responsibly.

OUR PERFORMANCE

We draw on the input and participation of our core stakeholders to tackle issues and opportunities. For example, we consulted with our stakeholders to establish our sustainability priorities, as well as to advance a range of programs. We have shaped our sustainability goals to align with the interest of





our stakeholders and look forward to integrating further feedback in our plans. The following table provides an overview of how we engage formally and informally with our network of stakeholders.

¹⁰ Leger, 2018.


STAKEHOLDER ENGAGEMENT

| Key stakeholders | How we engage |
|-------------------------------------|--|
| Employees | <ul style="list-style-type: none"> Internal newsletter Employee events Employee Engagement Group Employee engagement surveys Staff development days Monthly lunch and learn seminars Employee volunteer opportunities Collaborative digital platform and communications tools |
| Industry partners | <ul style="list-style-type: none"> Meetings and conference calls Internal working groups and project teams Letters and email briefs Monthly digital newsletters Social media platforms Reports and publications Consultations and surveys Events eggfarmers.ca and eggquality.ca websites |
| Canadian public | <ul style="list-style-type: none"> Outreach programs Social media platforms eggs.ca, eggfarmers.ca and eggquality.ca websites |
| Non-government organizations | <ul style="list-style-type: none"> Meetings Letters and email briefs Reports and publications eggfarmers.ca and eggquality.ca websites |
| Regulators and government | <ul style="list-style-type: none"> Meetings and conference calls Letters and email briefs Consultation opportunities Industry conferences and events eggfarmers.ca and eggquality.ca websites |

OUR FOCUS

| Focus | Highlights | Status |
|---|--|---|
| Maintain meaningful relationships with stakeholders and stay up-to-date on their priorities as they relate to egg farming | Facilitated and took part in meetings, discussions and consultations with stakeholders to understand their views and goals Distributed regular information across EFC channels |  |
| Facilitate opportunities for stakeholders to offer input into EFC policies, programs and plans | Hosted dozens of meetings with committees, working groups and project teams to draw in input Executed 2019 materiality assessment to identify sustainability issues of priority to our stakeholders |  |

 Complete

 Incomplete

 On track

 Ongoing

Helping end world hunger

Our philanthropic work is driven by a vision of a world where everyone can enjoy the numerous benefits of the humble egg. At home, we are proud to enhance the health of Canadians by supporting the work of Food Banks Canada and Breakfast Club of Canada. Around the world, our work with Heart for Africa, Canadian Food For Children and the International Egg Foundation reaches over 25 countries and thousands of people. Studies have shown that adding eggs to the diet of malnourished children can help reduce stunting and wasting, and improve their health outcomes and growth.¹¹ Collaborating with these global partners is allowing us to reach more people with protein-rich eggs and contribute to the well-being of others.



¹¹ Baum, J., Miller, J., and Gainesa, B., The effect of egg supplementation on growth parameters in children participating in a school feeding program in rural Uganda: a pilot study, 2017.



PILLAR 5: Empower our people

We understand that in order to lead a strong and successful sector, we must invest in our people, nurture the next generation of leaders, and offer opportunities for our employees to learn and grow in their careers. We leverage our network to advance health and safety on the farm, improve access to skilled workers and help address labour gaps in our sector.

Labour

OUR APPROACH

The Canadian egg industry accounts for 18,543 jobs, with a total economic impact of \$1.37 billion.¹² Our sector provides much needed rural jobs and support for the communities where we operate—and egg farmers depend on a reliable workforce to care for animals and produce a high-quality product.

While our farmers comply with provincial and territorial standards, they also recognize their role as responsible business leaders includes promoting ethical employment practices across the egg value chain. Farmers retain services and maintain relationships with a range of suppliers who provide farm inputs, and catching and loading services, for example.

Lastly, we strive to nurture our people and share resources to help them thrive in a changing business environment. We believe talented, knowledgeable and engaged people positively affect the long-term sustainability of our industry, and we strive to empower and support our farmers through tailored programs that match their unique professional development needs and support continuous learning opportunities.

OUR PERFORMANCE

Supporting rural jobs and economic activity

Backed by the stability of supply management, our farmers offer a competitive wage to their employees and thousands of jobs in rural Canada.

Backed by the stability of supply management, our farmers offer a competitive wage to their employees and thousands of jobs in rural Canada.

We work through partners like the Canadian Federation of Agriculture and other industry groups to address gaps in the available labour pool for the agriculture and agri-food sector. In particular, EFC supports the implementation of the Canadian Agriculture and Agri-food Workforce Action Plan, which includes short, medium and long-term recommendations to address the sector's labour shortages. This action plan outlines a range of solutions to current labour gaps such as a dedicated Canadian agriculture and agri-food workforce program, education and skills training in agriculture in the education system and reforms to the Temporary Foreign Worker program.¹³

¹² Kevin Grier Market Analysis and Consulting Inc., Economic Impact of the Poultry and Egg Industries in Canada, 2019.

¹³ Canadian Federation of Agriculture, 2020. Retrieved from <https://www.cfa-fca.ca/getting-into-the-field-labour-issues-in-agriculture/>.

Investing in the next generation of farmers and industry leaders

Through programs that support farmers making a start in egg farming, we are offering new opportunities to develop skills. These efforts are part of a long-term vision to maintain family farms, contribute to the vibrancy of rural regions while also helping our sector reach new levels of success. In 2019, we piloted EFC's women in the egg industry program, which engages female farmers across the country through in-person gatherings and an active mentorship program. We also completed the fifth cycle of our national young farmer program in 2019.

Total number of young farmer program delegates

| | 2016 | 2017 | 2018 | 2019 |
|------------------|------|------|------|------|
| Delegates | 33 | 39 | 46 | 55 |

Total number of women in egg farming program delegates

| | 2016 | 2017 | 2018 | 2019 |
|------------------|------|------|------|------|
| Delegates | - | - | - | 17 |

Global collaboration to eradicate forced labour in our supply chain

Our ambitions and collaborations extend to the global level, and we look to a range of organizations to strengthen our understanding of employment issues that affect food production. As such, the EFC Board of Directors adopted the World Egg Organisation's resolution to eradicate forced labour in the global egg supply chain in 2019. This includes raising a collective understanding of the issues of modern slavery and forced labour within our industry, identifying vulnerabilities and issues of shared concern with our supply chain partners and implementing specific actions and solutions.

At the provincial level, egg boards offer new entrant programs that support farmers or farm families interested in owning and operating an egg farm. The requirements and criteria vary from province to province, and successful candidates benefit from coaching, mentorship, and support to ease some of start-up costs in building an egg farm, for example.

Total number of egg farms in Canada

| | 2016 | 2017 | 2018 | 2019 |
|--------------|-------|-------|-------|-------|
| Farms | 1,043 | 1,105 | 1,145 | 1,179 |





Young people are our future





EFC founded the national young farmer program in 2014 as an opportunity to bring together young farmers to share knowledge, experience and expertise in the egg industry. The program gives young farmers a deep dive into the industry, fosters their leadership skills, and offers professional development and networking opportunities.

The program also offers a chance to see how other egg farmers work and share techniques they could bring to their own farms. For alumnus Jon Krahn from Abbotsford, British Columbia, learning about farm operations across Canada was "an eye-opening experience". Another highlight for Jon was the close friendships he built with other young egg farmers from across Canada. "We all stay in touch through Facebook," says Jon, "and it's been great to share our experiences."



OUR FOCUS

| Focus | Highlights | Status |
|---|--|---|
| Nurture the next generation of industry leaders through annual cycles of our national young farmer program and women in the egg industry program | <p>Completed 2019 national young farmer program cycle, expanding our alumnus network to 55 program delegates</p> <p>Completed inaugural year of the women in egg farming program, which brought together 17 participants in a full-year mentorship program</p> |  |
| Promote and support new entrants as they begin their career in egg farming | <p>New entrant programs offered in BC, AB, SK, MB, ON, QC, NB, NS, PEI and NL</p> <p>Released preliminary Animal Care Program audit of new entrants at the start of production to ensure new farmers are aware of the requirements of the program</p> |  |
| Raise an understanding of the issues of modern slavery and forced labour in the egg supply chain | The EFC Board of Directors adopted the World Egg Organisation's resolution to eradicate forced labour in the global egg supply chain in 2019 |  |
| Maintain an environment that empowers our employees to excel | <p>100% of EFC staff developed a training and development plan with their manager in 2019</p> <p>Our staff-led Employee Engagement Group continued to meet, offering guidance to senior management</p> <p>Regular town hall meetings and events took place with our staff to discuss matters that impact EFC</p> |  |

 Complete
  Incomplete
  On track
  Ongoing

Engaging with our employees

We conducted an EFC employee engagement survey in 2018 to gather feedback from our team, learn what drives our employees to succeed and identify opportunities for improvement. We achieved a 90% overall survey engagement rate and our key findings included:

- 98% of our staff are proud to tell others they work for EFC and just as many would recommend us to a friend as a great place to work
- Top drivers of employee engagement include a clear vision communicated across EFC by management, opportunity for professional growth and performance feedback
- Also, EFC was recognized as one of Canada's Top Employers in 2019 for the seventh consecutive year

Health and safety

OUR APPROACH

Farmers follow provincial and territorial health and safety regulations to ensure farm workers and employees have a safe working environment. We leverage our partnerships to raise a collective awareness of on-farm risks, and our research efforts touch on barn conditions and environmental factors that farm workers face. This approach contributes to the health and safety of the people that make our industry successful.

OUR PERFORMANCE

Our Start Clean-Stay Clean® program includes guidance in the areas of workers’ health and safety, such as personal protective equipment, chemical handling and storage, and personnel training. Farmers take steps in these areas through the individual standard operating procedures that are implemented on their farms to ensure the safety of their employees, and provincial and territorial requirements.

Partnerships with groups like the Canadian Federation of Agriculture help promote and empower farmers to make their farms safer. By raising awareness and providing access to resources and tools such as guides and checklists to assess risks and develop farm-level safety programs that fit the needs of their operation, we can collectively minimize accidents and incidents on our farms.





Research insights

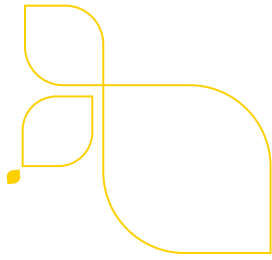
Our investment in research strengthens egg production from a variety of touchpoints. Projects, like the Impact of alternative housing systems on layer health and egg production at University of Montréal, enhance the environment conditions and air quality of farms. Specific measures that improve air quality not only improve hen welfare but also benefit workers’ health and safety.

With mental health top of mind for all sectors, EFC is supporting a collaboration with Dr. Andria Jones-Bitton from the University of Guelph to develop evidence-based, agriculture-specific mental health programming. This study supports the development and design of mental health services and tools that support the specific needs and pressures faced by the farming community.

OUR FOCUS

| Focus | Highlights | Status |
|---|--|---|
| Disseminate research findings that benefit workers’ health and safety, and farmer mental health | Monitored health and safety regulations to stay up-to-date |  |

 Complete  Incomplete  On track  Ongoing



About this report

This is the first year EFC has produced a comprehensive sustainability report, detailing our industry's performance in 2019. We aim to provide a balanced view of our key successes and challenges as we work to address the sustainability issues that matter most to our stakeholders—our farmers, value chain and communities.

Our report is organized around the five pillars that drive our commitment to improve our industry's sustainability. Each section focuses on the most significant sustainability issues facing our industry as identified through a materiality assessment process. We have included case studies to celebrate successes and highlight key learning opportunities as we move forward on our sustainability journey.

The scope of EFC's reporting is guided by existing sustainability frameworks, including the GRI Sustainability Reporting Standards, and reflects our industry's performance from January 1 to December 31, 2019. Since this is our first full report, we have included detailed discussion of our activities prior to the reporting period. Where possible, we have included four years of key performance indicators and we plan to provide multi-year performance data in future reports. We intend to publish a sustainability report of our activities on a biennial basis at a minimum.

ACKNOWLEDGMENTS

EFC acknowledges the important contributions of egg boards, industry experts, partners and stakeholders who are vital to the development, implementation and strengthening of sustainability practices. We also recognize Canada's more than 1,100 registered egg farmers for their commitment to national standards and a vision of a sustainable egg farming industry.

CONTACT US

We welcome your feedback and comments on our initiatives. Please contact cpa@eggs.ca with your questions and visit eggfarmers.ca for more information about EFC and our programs.



