



**MAPLE
LEAF**

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Custom 2020 Sustainability Report



**MAPLE
LEAF**

Our Approach

Overview

The protein industry plays an enormous role in nourishing billions of people, but also consumes resources and impacts our planet.

At Maple Leaf Foods, we are continually working toward more sustainable food production and a more sustainable protein industry. We believe the best way to drive change is by creating shared value – delivering value for our Company through addressing the significant environmental and social challenges that we face as a society.

“Never have I been more grateful that Maple Leaf Foods has a robust and mature sustainability program in place focused on Better Food, Better Care, Better Communities and a Better Planet. Together, these sustainability commitments have been like a compass guiding us in our response to 2020’s remarkable events, keeping us focused on the vision and values that make us Maple Leaf Foods.”

– Michael H. McCain, President and CEO

As an essential service, Maple Leaf Foods is focused on protecting the health and well-being of its people, maintaining business continuity and broadening its social outreach. To manage through this unprecedented environment, the Company has taken a number of measures in its business and operating practices that include heightened safety policies and procedures, and close communication and collaboration with public health authorities. The health and safety of our people is paramount while ensuring the security of our food supply.

As the COVID-19 situation evolves, Maple Leaf Foods will continue to adapt and adopt best practices that prioritize the health and safety of its employees and the stability of the food supply. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy, society, the environment and on Maple Leaf Foods’ sustainability strategy is still not fully known at this time. These impacts have included delays to some sustainability projects, irregularities in our environmental footprint performance and community engagement activities undertaken. Maple Leaf Foods’ purpose and long-term strategy remain unchanged.

Our Purpose

Maple Leaf Foods Inc. (the Company) is a forward-thinking, values-based carbon neutral company with a purpose to “Raise the Good in Food.” This purpose defines not just what we do as an organization, but why we do it. We have created a blueprint for our organization that summarizes our business strategy of delivering shared value to consumers, customers, our people, communities and shareholders.

In 2017, we hosted ideation sessions with the Company’s business functions to define strategies and processes that will help us achieve our vision to be the most sustainable protein company on earth. We spent time with our people trying to understand what our purpose to “Raise the Good in Food” means to them. We connected with over 170 of our employees, which resulted in over 200 unique ideas to help activate our purpose and vision.

Our Purpose Council, comprised of subject matter experts and senior leaders from different functional departments, assessed each unique idea against our vision, business strategies and purpose. This assessment, spanning several months, narrowed down the unique ideas to 10 bold commitments and six key strategies, which now serves as the blueprint for our organization.

Our blueprint consists of tangible, actionable strategies, priorities and initiatives spanning our entire operation, and they all connect back to our vision “to be the most sustainable protein company on earth” and our purpose to “Raise the Good in Food.” Our blueprint is the plan we use to deliver shared value for our stakeholders – consumers, customers, our people, communities and shareholders.

Vision and Approach

Our vision to be the most sustainable protein company on earth and our shared value framework have helped define our four sustainability pillars:

BETTER FOOD

We are actively addressing the most pressing diet-related health issues we face as a society, including reducing artificial ingredients, antibiotics use and sodium levels, and continually advancing leadership in food safety.

BETTER CARE

We have strong values that deeply define our culture and how we operate. These values extend to how we treat animals we raise or source. Better care for animals is one of our four sustainability priorities, and it reflects our goal to be a leader in animal care.

BETTER COMMUNITIES

We value our communities and work collaboratively with organizations to reduce food insecurity in Canada. We value a culture and work environment that keeps people safe, rewards excellence and empowers everyone to learn and contribute their best.

BETTER PLANET

We embrace a sustainable culture that focuses on eliminating waste in any resources we consume – including food, energy, water, packaging and time. We are proud to be a carbon neutral company and the only food company in Canada to adopt science-based targets approved by the Science Based Targets initiative.

Creating Shared Value

Our blueprint has six strategies to create shared value, of which three are addressing the significant environmental and social challenges that we face as a society.

PRODUCT DEVELOPMENT

Provide nutritious products and services that address social problems. We can achieve this through reduction and elimination of antibiotic use in animal production.

ELIMINATE WASTE

Use resources efficiently and at lower cost. We can achieve this through reduction of energy consumption, waste, water usage and food waste.

COMMUNITY INVOLVEMENT

Support innovative approaches to advancing sustainable food security. We can achieve this through the Maple Leaf Centre for Action on Food Security.

Our Sustainable Meat Principles

The food on our tables strengthens our bodies, our spirits and our bonds with each other. Healthful, soulful food should be a universal good and something we all can have.

But our food system has drifted from its roots – to nourish, to farm sustainably, to strive for social good, to connect deeply with our consumers.

At Maple Leaf Foods, we believe that we can raise everyone to better living, to a better life, by raising the good in food. To that end, we have developed a set of sustainable meat principles that will help guide and define our future.

We are driven by a conviction that Maple Leaf Foods can raise everyone to a better standard of living and to a better life by raising the good in food, and through our vision to be the most sustainable protein company on earth.

FEEDBACK

Our sustainability website is the main vehicle for reporting on our sustainability performance. We welcome all feedback on our initiatives and progress.

To submit feedback, or to ask a question, please contact us at sustainability@mapleleaf.com.

CEO Message

A Message from Our CEO, Michael McCain

Never have I been more grateful that Maple Leaf Foods has a robust and mature sustainability program in place focused on Better Food, Better Care, Better Communities and Better Planet. Together, these sustainability commitments have been like a compass guiding us in our response to 2020's remarkable events, keeping us focused on the vision and values that make us Maple Leaf Foods.

Building better communities has long been an essential priority for us, whether those communities are outside or within our company. The COVID-19 pandemic made the societal challenge of food insecurity far worse in Canada and around the world, but we knew what to do thanks to our history of engagement through the Maple Leaf Centre for Action on Food Security. Maple Leaf Foods rose to the challenge with increased emergency food support, innovative projects to reduce food insecurity and tireless advocacy of policies and programs intended to create lasting change. We will continue to champion long-term, systemic solutions to this unacceptable societal problem.

For our community within Maple Leaf, we make safe workplaces a priority, and planning and preparing for the possibility of problems is a healthy obsession. That mindset proved critical during the COVID-19 pandemic. When the pandemic hit, we deployed our already-written Pandemic Plan and we refined it over time as we learned more. We rethought how our plants flow, how our employees interact and how we could protect each Team Member. We implemented new protections focused on social distancing, health screening and personal protective equipment. Although our Teams were touched by the COVID-19 pandemic, we continued to operate, and our safety procedures were praised by public health officials.

Producing food took on an even deeper meaning as our disrupted nation needed nourishment. And we provided high quality protein made with simple ingredients that people understand. In 2020, products that bear a "Carbon Zero – Made by a Carbon Neutral Company" logo became available to our consumers to help them choose products that reflect their values.

Despite challenges and distractions brought on by the COVID-19 pandemic, we also remained focused on our commitments to provide better care and to build a better planet. We continued to convert our company-owned sow barns to Advanced Open Sow Housing and achieved 87% conversion in 2020. We are on track to achieve full conversion in 2021. Because we believe so strongly that you manage what you measure, we completed installation of remote video auditing in all hatcheries and processing plants. And we continued to research new and better ways to enhance the care we provide to our animals.

We continued to explore ways to protect and restore the planet through investments in novel technologies like regenerative agriculture, and continued our ongoing efforts to reduce greenhouse gas emissions and our environmental footprint. We celebrated our first anniversary as a carbon neutral company and move forward with our roadmap to achieve our science-based targets.

Consumers are making their voices heard: they want pork, poultry and plant-based protein they can feel good about, no excuses. We are determined to be an exceptional, no excuses company working toward Better Food, Better Care, Better Communities and a Better Planet relentlessly, under the most challenging of circumstances. This is how we will deliver shared value – and this is how our company will change the world.

Michael H. McCain
President and CEO

Reporting Practices

Reporting Practices

REPORT BOUNDARY

Our reporting boundary includes entities over which Maple Leaf Foods has operational control – our processing and manufacturing facilities, distribution facilities and offices (both leased and owned buildings), feed mill operations, pork barns, hatcheries and poultry barns. We have reported on performance indicators (i.e., GRI indicators) for these entities as applicable. In 2020, we restated our GHG emissions back to our baseline year (2018) due to improved availability of data and applied the GHG Protocol’s updated emissions factors to our 2020 GHG emissions. We changed our solid waste and landfill diversion methodology and restated our solid waste performance and landfill diversion rate back to our baseline year (2015).

INFORMATION INTEGRITY

Maple Leaf Foods’ management is responsible for the preparation and integrity of the information reported in our sustainability report. Sources for statistical information referenced that are not related directly to Maple Leaf Foods are either noted or available upon request. If you see a reference about currency, please remember that all financial information is reported in Canadian dollars. We believe this information accurately represents our sustainability initiatives and performance results for the 2020 reporting year (unless otherwise noted).

The reported data in the 2020 Sustainability Report found in these web pages covers the calendar year from January 1, 2020 – December 31, 2020 (unless otherwise noted). Reports from previous years are available in our Downloads section.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

In 2020, we conducted a physical climate risk assessment and climate scenario analysis, working with an independent third-party consultant, to better understand the climate-related risks and potential impacts to our livestock, assets, supply chain and operations. We understand the importance of disclosing our targets, performance and climate-related risks in a consistent way in line with the recommendations set forth by the TCFD.

To view our implementation of the TCFD recommendations, please refer to page 21 of our Annual Report to Shareholders.

GLOBAL REPORTING INITIATIVE (GRI) STANDARDS

Our reporting practices follow the current Global Reporting Initiative (GRI) Standards as a reference and reflect the most current data and information we have about our business. We are reporting in accordance with the Core option of the GRI Standards.

To learn more about our GRI performance, please refer to our ESG Index.

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB)

In 2020, we began reporting against the SASB Standards to communicate financially material, decision-useful information to our stakeholders. We have mapped material SASB standards against relevant GRI standards in a combined ESG Index.

To learn more about our SASB performance, please refer to our ESG Index.

SUSTAINABLE DEVELOPMENT GOALS

Maple Leaf Foods' sustainability strategy is well aligned with the United Nations 17 Sustainable Development Goals (SDGs). The SDGs are an urgent call to action by the United Nations for social, environmental and economic progress globally by 2030. These goals provide a universal and visionary framework for all countries, governments, companies and individuals to proactively address global challenges and implement strategies to improve health and education, reduce inequality, encourage economic growth and tackle climate change.

Given the nature of our business, we have identified the following SDGs that Maple Leaf Foods has the greatest potential to contribute to:

- SDG 2: Zero Hunger
- SDG 5: Gender Equality
- SDG 6: Clean Water and Sanitation
- SDG 7: Affordable and Clean Energy
- SDG 8: Decent Work and Economic Growth
- SDG 9: Industry, Innovation and Infrastructure
- SDG 10: Reduced Inequalities
- SDG 12: Responsible Consumption and Production
- SDG 13: Climate Action
- SDG 15: Life on Land
- SDG 16: Peace, Justice and Strong Institutions
- SDG 17: Partnerships for the Goals

[Click here to learn more about how our targets and goals are aligned with these SDGs.](#)

[Click here to view SDG Logo Use Guidelines.](#)

EXTERNAL ASSURANCE

In 2020, our auditor, KPMG, provided limited level assurance over our environmental data and performance.

To learn more, please refer to our Limited Assurance Report.

Materiality

Materiality

Engaging. Transparent. Purposeful. These three principles shape the way we communicate about sustainability at Maple Leaf Foods.

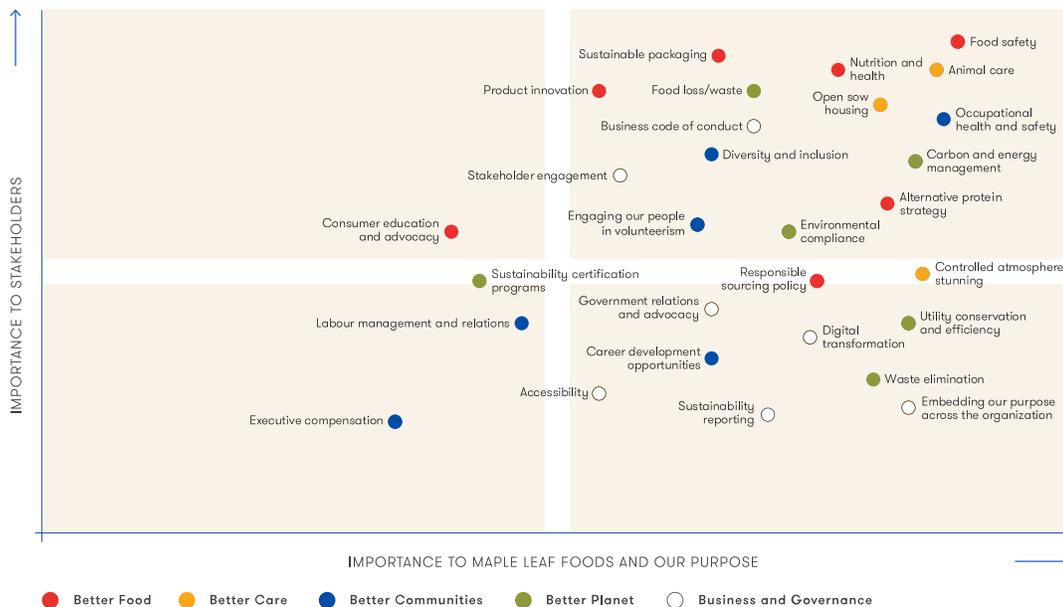
We seek to understand our stakeholders' opinions and needs through open dialogue and inclusiveness, which helps guide how we report on our sustainability initiatives each year.

MATERIALITY AND STAKEHOLDER INCLUSIVENESS

We place tremendous value on having an open dialogue about sustainability with Maple Leaf Foods stakeholders, including our employees, consumers, customers, shareholders, investors, suppliers, lenders, government, and non-governmental and non-profit organizations. We engage with many of these stakeholders on sustainability matters on a regular basis and formally on an annual basis.

We compiled a comprehensive list of topics based on findings from consultations and surveys with employees, customer interviews, ongoing internal sustainability initiatives, competitive benchmark reports and discussions with key internal leaders who are in contact with our external stakeholders.

This list of topics helps guide our annual sustainability reporting.



*Materiality matrix updated in 2018

Governance

Governance

Our governance approach to sustainability provides a strong foundation, including strategic oversight, visibility, accountability and resources to support our purpose and vision to be the most sustainable protein company on earth. Finding the balance between what is good for our environment and society and what is best for our growth, and then focusing on opportunities that deliver both, are at the heart of our management processes and disciplines.

We communicate our sustainability initiatives and performance on a regular basis. Highlights of our internal and external communication include:

- Monthly reporting to the Senior Leadership Team
- Quarterly reporting to the CEO, COO and CFO
- Reporting (three times per year) to the Safety & Sustainability Committee of the Maple Leaf Foods Board
- Ongoing customer and stakeholder meetings and communications
- Ongoing intranet and social media channel updates
- Annual sustainability report and website update

The Company's Senior Leadership Team is directly involved in developing, approving and updating the organization's purpose, values, mission, strategies, policies, and goals related to economic, environmental and social topics. The Safety and Sustainability Committee of our Board of Directors provides oversight for sustainability-related strategies, performance and reporting. The Company's Senior Leadership Team and Disclosure Committee approve the organization's sustainability report and ensure that all material topics are covered.

**SAFETY & SUSTAINABILITY
COMMITTEE OF THE BOARD**

PRESIDENT & CEO

CHIEF FOOD SAFETY & SUSTAINABILITY OFFICER

**FOOD SAFETY
& QUALITY**

**SUSTAINABILITY &
SHARED VALUE**

ANIMAL CARE

**HEALTH & SAFETY,
SECURITY,
SANITATION &
ENVIRONMENT**

ENGINEERING

Collaboration

Collaboration

We strive to take an active role in supporting continuous improvement by contributing our resources and/or knowledge to a broad range of organizations. These organizations include:

MEAT AND LIVESTOCK

- Canadian Meat Council*
- National Farm Animal Care Council (NFACC)
- North American Meat Institute (NAMI)*

BUSINESS ADVOCACY AND COLLABORATION

- Brandon Chamber of Commerce
- Business Council of Canada (formerly Canadian Council of Chief Executives)*
- Canadian Association of Importers and Exporters Inc. (I.E. Canada)
- Canadian Manufacturers and Exporters Association
- Employers Advocacy Council (EAC)
- Grocers & Manufacturers Collaborative (GMC)*
- Manitoba Chambers of Commerce
- Manitoba Industrial Power Users Group (MIPUG)
- Ontario Chamber of Commerce
- Plant Engineering and Maintenance Association of Canada (PEMAC)

FOOD PROCESSING

- Alberta Food Processors Association
- Conseil de la Transformation Alimentaire du Québec (CTAQ)
- Food and Beverage Canada
- Food & Beverage Ontario*
- Plant-Based Foods Association (U.S.)
- Plant-Based Foods of Canada

FOOD SERVICES AND GROCERY RETAILING

- Canadian Federation of Independent Grocers
- Restaurants Canada

HEALTH/NUTRITION/FOOD SAFETY/FOOD SECURITY

- Agri-Subcommittee on Food Safety (ASFS)
- American Meat Science Association (AMSA)*
- Canadian Meat Science Association (CMSA)
- Food Allergy Research and Resource Program (FARRP)
- Food Secure Canada
- Institute of Food Technologists (IFT)
- International Association for Food Protection (IAFP)
- Ontario Food Protection Association

MARKETING AND INNOVATION

- Association of Canadian Advertisers
- Canadian Centre for Food Integrity (CCFI)*
- Canadian Food Innovators (CFI)*
- Food Processing Human Resources Council*
- GS1 Canada*
- Next Generation Manufacturing Canada Supercluster
- Protein Industries Canada
- Research Chefs Association

PACKAGING

- Packaging Consortium*
- Stewardship Ontario*
- Canada Plastics Pact*

PORK INDUSTRY

- Ag and Food Exchange
- 21st Century Pork Club (Canadian and U.S. clubs)
- Canada Pork International*
- Canadian Pork Council
- Canadian Swine Research & Development Cluster (CDPQ)*
- Manitoba Pork Council*
- Swine Innovation Pork

POULTRY INDUSTRY

- Alberta Hatchery Association
- Association of Ontario Chicken Processors*
- Canadian Hatching Egg Producers*
- Canadian Poultry and Egg Processors Council*
- Chicken Farmers of Canada*
- Further Poultry Processors Association of Canada*
- IPWA/U.S. Roundtable for Sustainable Poultry and Eggs (Poultry & Egg Sustainability and Welfare Foundation)
- National Chicken Council (NCC)*
- Ontario Association of Poultry Practitioners (OAPP)
- Ontario Broiler Hatching Egg and Chick Commission*
- Ontario Hatcheries Association*
- Ontario Turkey Processors Association
- Poultry Industry Council
- Poultry Research Council
- Turkey Farmers of Canada

TRANSPORTATION AND LOGISTICS

- Private Motor Truck Council of Canada*
- Smart Commute Ontario

SUSTAINABILITY

- Agriculture and Agri-food Canada - Sustainability Thematic Table
- Canadian Business for Social Responsibility/EXCEL Partnership
- Canadian Roundtable for Sustainable Crops
- Partners in Project Green – Toronto Regional Conservation Authority
- Roundtable for Sustainable Palm Oil
- World Business Council for Sustainable Development

* Maple Leaf Foods holds a Board, Chair or Advisory position.

PROFILING OUR PARTNERSHIPS

Food Allergy Canada (FAC)

Working together, Food Allergy Canada (FAC), Université Laval and Maple Leaf Foods continue to lead a project on “Creating Food Safety Practices for Allergen Risk Management & Precautionary Allergen Labelling.” The goals of the project are to develop common allergen management guidelines using a risk-based approach, guidance on the application of precautionary allergen labelling (PAL) and a broader understanding on the use of food allergen thresholds as a component of an overall allergen risk management plan. PAL is currently at the discretion of the manufacturer, is voluntary and is not regulated by Health Canada. Additionally, there are no specific Canadian allergen management guidelines used consistently across the food industry. Ultimately, by applying results of the research, allergenic consumers will have greater confidence in how PAL is applied by manufacturers, and PAL will be considered a meaningful tool to protect against potential allergen risks.

In 2020, funding under the Agri-Assurance Contribution Agreement was successfully obtained, and a 2021-2022 project plan was detailed with activities to support Allergen Guideline Development and review the Allergen Threshold Landscape.

To learn more, visit [Food Allergy Canada](#).

Plant-Based Foods of Canada

Plant-Based Foods of Canada (PBFC) is a division of Food & Consumer Products of Canada (FCPC). The members of PBFC, including the Greenleaf Foods subsidiary of Maple Leaf Foods, provide choice for Canadian consumers as they look to include more plant-based protein options in their diets. PBFC works to educate consumers, government and industry partners about the nutritional and sustainability benefits of plant-based foods, consistent with the goals of Canada’s Food Guide. Maple Leaf is supporting the organization’s advocacy to modernize Health Canada’s standards and labelling requirements for meat alternatives, and advance consumer research and certification of plant-based foods. PBFC recently completed research on how best to merchandise plant-based foods through consistent store placement, helping both vegetarians/vegans and “flexitarians” find their preferred food items.

On December 3, 2020, Health Canada updated the protein quality methodology to allow the use of corrected chemical index of protein digestibility (PDCAAS) in addition to the protein efficiency coefficient (CEP).

To learn more, visit [Plant-Based Foods of Canada](#).

Canada Plastics Pact (CPP)

Maple Leaf Foods was a founding member of the Canada Plastics Pact (CPP). The CPP is a platform for multi-stakeholder collaboration and industry-led innovation that unites leaders in Canada's plastics value chain behind a common vision and ambitious goals to address plastic packaging waste at the source. More than 40 leading Canadian businesses, NGOs and public sector partners have signed onto the CPP. They will be working to collectively achieve four clear, actionable targets by 2025. Maple Leaf Foods, together with the CPP partners, hope to fundamentally change the way Canadians use and reuse plastic, while securing a resilient economy that flourishes within nature's limits. The immediate next step for the CPP to achieve its goals by 2025 is to develop a roadmap for action. To be fully transparent and ensure measurable action, a CPP progress report will be made publicly available each year.

To learn more, visit [Plastics Pact](#).

World Wildlife Fund (WWF)

Forests, wetlands, grasslands and soils store vital amounts of carbon and provide important habitat for wildlife. We're working with WWF-Canada and the Remote Sensing Lab at McMaster University to create the first-ever map that will show how much carbon is stored in landscapes across Canada. By effectively stewarding and protecting these carbon-dense areas, we can prevent that carbon from entering the atmosphere where it would make the effects of climate change even worse. Ultimately, this work will help us determine how Canada's natural features can help reduce carbon emissions to meet international and national targets.

Watch [Mapping Canada's Carbon Stocks](#) to learn more.

Open Letter to Canadian Companies to Take Meaningful Climate Action

In 2020, Maple Leaf Foods, CN and Celestica Inc. signed an Open Letter to demonstrate their collective commitment to four strategic actions, aligned with the Paris Climate Accord, to protect the environment and ensure a sustainable, equitable and healthy future for all Canadians. These strategic actions are reducing carbon emissions, setting science-based targets, resource stewardship and sustainability reporting. The three companies urged other Canadian businesses to join in ensuring a healthy future for all Canadians, and our planet, by supporting the Open Letter and joining the fight against climate change. The signatories will continue to explore opportunities for collective commitment and action.

To learn more, visit [Maple Leaf Foods blog](#).



Better Food

Overview

Goals

- Continue to support our Maple Leaf Prime® Raised Without Antibiotics (RWA) lineup and RWA education
- Continue to accelerate research and development efforts against a pipeline of innovation that advances our commitment to Better Food
- Execute significant product renovation to our Lightlife Foods® and Field Roast Grain Meat Co.™ brands by delivering great tasting, 100% vegan and non-GMO certified product line
- Continue to work to ensure our raw material, ingredient and packaging suppliers achieve food safety certification to a Global Food Safety Initiative (GFSI) standard
- Deliver on our Food Safety Incident Rate (FSIR) and Quality Incident Rate (QIR)

2020 Highlights

- Expanded our RWA Greenfield Natural Meat Co.™ portfolio by launching Family Lunch Kits
- Demonstrated our leadership of the real food movement by launching filler-free Maple Leaf® Natural Top Dogs
- Repositioned Lightlife Foods® to represent clean, nourishing health and Field Roast Grain Meat Co.™ to represent bold, flavour-forward products
- Met and exceeded our FSIR target by 41% and QIR target by 63%
- Completed three waves of Hazard Analysis and Critical Control Point (HACCP) training at all plants
- Launched an enhanced Allergen Control Program

We are actively addressing the most pressing diet-related health issues we face as a society, including reducing artificial ingredients, antibiotics use and sodium levels, and continually advancing leadership in food safety.

OUR JOURNEY TOWARDS BETTER FOOD

In 2018, we executed on our strategy to make better food that meets real consumer needs, as reflected in the product renovation of our Maple Leaf® and Schneiders® brands. This strategy, developed in 2017 after exhaustive consumer research, resulted in an initiative to renovate our prepared meats portfolio across multiple dimensions, including taste, nutrition, affordability and sustainability.

We launched the most comprehensive changes in our Maple Leaf® brand history as part of our commitment to lead the real food movement. This has involved a sweeping revamp of the entire portfolio based on the commitments of our Food Manifesto.

Being leaders in the real food movement, leaders in authentic craftsmanship and leaders in great value – all by delivering clear food and brand choices: this is what making great food means to us. We have reformulated our products to include only premium meat and real, simple or natural ingredients. In addition to removing artificial preservatives, flavours, colours and sweeteners from our products, we only use pronounceable ingredients that consumers trust and can find in their pantry.

Read the Maple Leaf Food Manifesto.

Great food means different things to different people, and we want to meet those needs. We are committed to delivering to our consumers great tasting food with natural ingredients and better nutrition, and also produced in a safe work environment.

Nutrition

Nutrition

Great food means different things to different people at different times, and we want to meet all those needs!

Maple Leaf Foods completed exhaustive consumer research that has led to an initiative to renovate our prepared meats portfolio across our flagship brands: Maple Leaf® and Schneiders®.

This includes the most comprehensive changes in our Maple Leaf® brand's history, by taking out the ingredients you don't know or that don't belong in our food, and replacing them with natural, real or simple ingredients that are recognizable by consumers. To learn more, read the Maple Leaf Food Manifesto.

In 2020, we continued to execute on our strategy to make better food that meets real consumer needs. Specifically, on Maple Leaf®, we focused on delivering much better tasting food by using cleaner and more natural ingredients that addressed better nutrition. Importantly, we also did this in a way that would support our ambitious sustainability goals.

Today, all of our Maple Leaf® branded products proudly contain only premium meat and real, simple or natural ingredients, supporting our ambition to be a leader of the real food movement. This year, we introduced our filler-free Maple Leaf® Natural Top Dogs in an effort to improve upon our products and further remove additive ingredients like tapioca starch to ensure that our hot dogs contain no fillers and only premium meat and natural ingredients.

We also launched Maple Leaf's first brand innovation since its renovation with our Maple Leaf® Natural Meal Ingredients line up, including shredded chicken, ground beef and diced ham, among others. All of these products come fully prepared, which means they're already cooked and ready to eat or reheat and add to family-favourite recipes – and, of course, made with all natural ingredients. This product line is also uniquely packaged in a fully recyclable cardboard tray, reinforcing our commitment to sustainable packaging.

In 2020, we introduced our filler-free Maple Leaf® Natural Top Dogs in an effort to improve upon our products and further remove additives like tapioca starch to ensure that our hot dogs contain no fillers and only premium meat and natural ingredients.

SIMPLE AND NATURAL INGREDIENTS

In response to consumer demand for healthier prepared meats products that are made with simpler, natural ingredients, we renovated our Maple Leaf® branded products back in 2018 and reformulated them with ingredients that deliver the high-quality protein, great taste and real food with nothing artificial.

INGREDIENTS THEN

Mechanically separated chicken, pork, water, modified corn starch, salt, potassium lactate, dextrose, wheat gluten, spice, corn syrup solids, sodium phosphate, sodium diacetate, sodium erythorbate, garlic powder, onion powder, sodium nitrite, smoke.

Contains: wheat

INGREDIENTS NOW

Chicken, pork, water, sea salt, vinegar, spice, cultured celery extract, cherry powder, cane sugar, smoke.

See the full list of Maple Leaf® ingredient changes.

NUTRITION EDUCATION

Knowing the right amount of which foods to eat each day and understanding how to read food labels is important to ensure a healthy lifestyle. To help Canadians make informed food choices, we are focusing on three priorities:

1. Easier-to-read labels

To help our consumers make informed food choices, we are simplifying and increasing the legibility of our packaging. Maple Leaf® labels are now simpler and easier to read and have a consistent style across all product lines. Consumers are able to compare nutritional information between Maple Leaf® products more quickly and easily. On our Maple Leaf Natural Selections® products, our list of ingredients is actually included on the front of the package, making it easier for consumers to locate, reinforcing that we have no ingredients to hide.

As part of our Schneiders® brand refresh in 2018, which included an updated logo and packaging design, we renovated its product portfolio to offer consumers extraordinary taste with elevated artisanal flavours and new distinct packaging with easier-to-read labels.

2. Focus on the facts

We partnered with Health Canada, Retail Council of Canada, Food and Consumer Products of Canada, Canadian Federation of Independent Grocers and several leading food and beverage companies to launch the “Focus on the Facts” nutrition labelling education initiative. The goal is to help Canadians understand and use the Nutrition Facts table (NFT) on prepared foods, with a focus on “Serving Size” and “Percent Daily Value.”

In 2020, Maple Leaf began to adopt the updated NFT set forth by Health Canada's Food Labelling Modernization initiative. This initiative is meant to modernize and improve food labelling in Canada, reflect the latest eating habits of Canadians and enable Canadians to make more informed choices. It includes "% daily value," food colour declarations, an updated list of minerals (e.g., potassium) to reflect public health concerns and more prominent sugar callouts on our labels.

3. Better nutrition information at your fingertips

All of our brand websites provide better, more engaging content to help people access nutritional information and plan their diets based on their needs. Visit Maple Leaf®, Greenfield Natural Meat Co.™ or Schneiders® for more information.

CARBON ZERO LOGO

In 2020, Maple Leaf Foods introduced a new Carbon Zero - Made by a Carbon Neutral Company logo on the packaging of many of its leading brands including Maple Leaf®, Greenfield Natural Meat Co.™, Lightlife Foods® and Field Roast Grain Meat Co.™ Consumers can look for the Carbon Zero logo on the front of product packaging to feel confident they are making a sustainable choice and are supporting a carbon neutral company.

PLANT-BASED PROTEIN

Did you know? By 2021, all Lightlife™ and Field Roast™ products will be Certified Vegan.

One of our blueprint strategies is to broaden our reach into protein alternatives. In the past few years, we established Maple Leaf Foods as a North American leader in plant-based proteins by forming Greenleaf Foods, SPC, a wholly owned subsidiary based in Chicago. We have two leading, highly complementary brands in this category, Lightlife Foods® and Field Roast Grain Meat Co.™, and we are building leadership in this space by increasing organizational and operational capacity and our pace of innovation.

Lightlife Foods® provides quality vegetarian and vegan foods prepared in the most healthy and sustainable manner. Meanwhile, Field Roast Grain Meat Co., based in Seattle, Washington, adapts traditional meat-making practices to craft vegetarian "meats" made from grains, vegetables and spices. Both brands have been answering consumer demand for plant-based products and have been bringing forward new, innovative products to grocery stores and restaurants in Canada and the United States.

In 2020, we conducted the most comprehensive research study in plant-based protein history, connecting with more than 11,500 consumers to better understand their values and expectations for plant-based protein. This set Greenleaf Foods on the journey to nourish a global population in a better, more sustainable and more affordable way. This began by repositioning our brands: Lightlife™ to represent clean, nourishing health and Field Roast™ to represent bold, flavor-forward products.

In 2021, both brands will undergo significant product design and packaging renovations reflecting the revised brand mandates. The expected outcome will be that all Lightlife™ and Field Roast™ products will be 100% vegan certified and Non-GMO Project verified. Following our sustainability vision, both brands will continue to look at diversification of plant-protein choices. Our commitment to better food is the firm belief that the future of protein is cleaner, tastier and nutritionally superior.

GREENFIELD NATURAL MEAT CO.™

All of Greenfield Natural Meat Co.™ sows are Gestation Crate Free (GCF) and have transitioned to our Advanced Open Sow Housing system.

Greenfield Natural Meat Co.™ was founded in 2015 with a goal to make sustainable meat attainable. Greenfield is a disruptor – a brand that advances sustainable meat production through leadership in animal care and the elimination of antibiotic usage in animal production and sourcing. We do not use artificial ingredients or preservatives in our products, and all sows in our care are Gestation Crate Free (GCF) so that they are free to roam, play and socialize. Greenfield products also come from animals that are 100% vegetarian grain fed and humanely raised by caring Canadian farmers.

It is a meat brand with a purpose. It exists to make a better world by making meat right, which means better food, better care for our animals, better communities and a better planet.

In 2020, Greenfield proudly introduced three bold new claims to continue the advancement of our commitment to sustainability:

Gestation Crate Free. We are committed to humanely raising our animals – which is why we are now GCF, meaning we use an open-pen system for our sows during their gestation phase.

Carbon Zero. Greenfield is made by a carbon neutral company and has a Carbon Zero logo on the front of product packaging so that consumers know they are making a sustainable choice.

GreenCircle Certified. Greenfield is working with GreenCircle Certified, an independent third party that audits all of our claims to ensure our standards never settle.

Greenfield is on a mission to change the meat industry and reflects the very best of what Maple Leaf Foods is doing to advance leadership in sustainability, raising the high bar that we have set even higher. Our investment and focus on sustainability will continue to be reflected in what the Greenfield brand brings to the market. Visit greenfieldmeat.com to learn more.

ETHNIC CHOICES

99% of our products under the Mina® brand have no artificial colours and flavours.

The Canadian population is becoming increasingly diverse. At Maple Leaf Foods, we are committed to providing consumers with a variety of wholesome and high-quality halal food under our Mina® brand. When it comes to processing all Mina® products, we strictly adhere to the food production requirements certified by the Halal Monitoring Authority (HMA).

Mina® products are made with the finest quality chicken or beef and are individually blessed and hand slaughtered. This is a differentiating point for Mina® and our competitors who machine slaughter. In addition, our fresh chicken products are air chilled for the highest quality.

We are also focused on providing our consumers with even more convenient halal options, including ready-to-eat meals and protein snacks. We continue to expand our Mina® product line to meet the growing demand for hand-slaughtered, ready-to-eat halal products such as: chicken tikka bites, falafel, tandoori chicken burgers and jalapeño beef burgers.

Food Innovation

Food Innovation

WHAT INNOVATION MEANS TO US

Innovation is the lifeblood of our business. We strive for continuous evolution and growth of our products and our business strategies. We are committed to advancing as an industry leader in food innovation and exceeding our consumer demands and expectations.

EXPLORING FOOD INNOVATIONS

In 2020, we launched our Maple Leaf Prepped and Ready product line-up, including shredded chicken, ground beef, diced ham and more. These products are:

- Fully prepared, and can be cooked and ready to eat or reheat and added to family-favourite recipes
- Made with natural, simple ingredients
- Uniquely packaged in a fully recyclable cardboard tray

In 2020, we introduced our Schneiders Protein Kits – a premium, on-the-go snack kit with up to 13 grams of protein. These kits are:

- Maple Leaf Foods' expansion into the vastly growing nut-based protein snacks
- Portable, high protein snacks that are easy to take on the go or eat conveniently at home
- Packed with delicious, premium artisanal meats, cheeses and nuts/dried fruit for indulgence

In 2020, we launched our Greenfield Lunch Kits. These kits are:

- Made by a Gestation Crate Free company with a commitment to humanely raise its animals
- Carbon Zero – Made by a Carbon Neutral Company
- GreenCircle Certified to verify all our claims and ensure our standards never settle
- Made from animals raised without antibiotics

In 2020, Lightlife™ introduced Organic Buffalo Tempeh Strips – to add a little spice to your dish. These strips are:

- A hearty meat alternative that's savoury, nutty and packed with 18 grams of protein and fibre
- Deliciously guilt-free and perfect for baking, frying or sautéing
- Made with ingredients that you know and a taste you'll love

THINKFOOD! INNOVATION CENTRE

Our ThinkFOOD! Innovation Centre, located at our Meadowvale campus in Mississauga, Ontario, is dedicated to research and exploration for new product development. The Innovation Centre offers collaborative spaces, laboratories, a pilot food processing plant, sensory testing rooms and multiple kitchens. In our largest open kitchen, we have around 30 employees collaborating and experimenting with new flavours and ingredients to craft authentic foods.

Products that we create go through a rigorous sensory evaluation to help us identify those of the highest quality. Our all-white sensory testing room was designed to minimize sensory distractions and ensure an objective experience. Our food testers objectively analyze several factors to ensure we are developing products that taste, smell and look delicious. The products that successfully pass the sensory evaluation are moved into our “Pilot Plant” where we assess the replicability of the products at a larger scale.

Our ThinkFOOD! Innovation Centre boasts a “Kitchen Stage” and a “Back-of-House Kitchen.” Kitchen Stage is a presentation room and simulated restaurant to host our customers and clients. Experienced chefs prepare and serve meals using our products in an open-concept kitchen and dining area. Our Back-of-House Kitchen enables customers and clients to use our equipment or bring in their own equipment to train employees and practice preparing meals.

The ThinkFOOD! Innovation Centre is where innovation and collaboration happens. It is where we craft the foods of tomorrow.

Food Safety

Food Safety

OUR FOOD SAFETY COMMITMENT

At Maple Leaf Foods, we do our very best to minimize the presence of bacteria that can cause foodborne illness such as *Salmonella*, *Listeria* and *E. Coli*. Our goal is to always provide consumers safe, great tasting food produced in a safe work environment. To that end, we have created the Maple Leaf Food Safety Promise, which we stand by and adhere to in our daily duties.

MAPLE LEAF FOODS FOOD SAFETY AND QUALITY MANAGEMENT SYSTEM

We have a robust and thorough Food Safety and Quality Management system that includes policies, company standards and standard operating procedures. Documents are housed in one document repository, with formal workflows, approvals, defined roles and responsibilities, and an established document review cycle is in place.

We monitor the effectiveness of our efforts through aggressive testing of our products and manufacturing environment. In 2020, we conducted more than 145,000 tests to measure quality and safety, including the detection of allergens, microorganisms and pathogens in our food processing facilities and products.

FOOD SAFETY RECALLS AND MARKET BANS

In 2020, Maple Leaf Foods had zero food safety recalls and two quality-related product withdrawals, a result of products that did not meet Maple Leaf Foods standards. Corrective and preventative actions were successfully executed on the two quality-related product withdrawals. Our formal and robust recall standard operating procedure is updated annually with key learnings and clear roles and responsibilities. Maple Leaf Foods did not have any food safety or quality-related market bans in 2020.

OUR GLOBAL FOOD SAFETY STANDARDS

We adhere to the Global Food Safety Initiative (GFSI) benchmarked standards across Maple Leaf Foods. All of our meat production facilities are audited annually by an internal food safety audit function and a third-party auditor following either the Brand Reputation through Compliance (BRC) or Safe Quality Food (SQF) standards, both of which are recognized by the GFSI. All of our fresh and prepared meats facilities adhere to these standards.

Our plant-based protein business in the U.S. is either certified to the BRC Global Standard for Food Safety or on the certification journey.

We continuously monitor the effectiveness of our efforts through aggressive testing of our manufacturing environment and our products. In 2020, we conducted more than 145,000 tests to measure quality and safety, including the detection of allergens, microorganisms and pathogens. We regularly swab, test and sanitize all our production areas, including manufacturing equipment, as a preventative measure to maintain the quality of our products.

We require all of our raw material suppliers to have their facilities certified to a Global Food Safety Initiative (GFSI) benchmarked standard. We have actively tracked adherence to this requirement since 2015 and have discontinued business with several companies that were unable to meet our requirement.

We continue our commitment to support our suppliers and hold them accountable to achieving a GFSI standard in Food Safety & Quality, including smaller companies that have committed to our GFSI requirement but need extra time to comply. By the end of 2020, we achieved the following results to date for our meat protein segment:

- 100% of co-manufacturers
- 99% of raw meat suppliers
- 90% of non-meat, food-contact packaging and non-food-contact suppliers

We have extended this requirement to our animal protein segment as well. By the end of 2020, the following plant protein suppliers have been certified to a GFSI standard:

- 96% of non-meat ingredient suppliers
- 63% of food-contact packaging suppliers
- 33% of non-food-contact suppliers

We are happy with this progress but there is still work that needs to be done. In 2021, we will continue working with our plant protein suppliers and all new acquisitions to support the certification of their facilities to a GFSI standard.

LEADERSHIP AND COLLABORATION

Our Food Safety, Quality and Technical team members continue to actively participate in committees, task forces and workshops (virtually during the COVID-19 pandemic) throughout North America and globally. We are represented on the food safety and regulatory committees of the Canadian Meat Council, the North American Meat Institute, the Canadian Poultry and Egg Processors Council and the National Chicken Council (U.S.).

We are part of the core team of instructors at the bi-annual Advanced Listeria Control Workshop, sponsored by the North American Meat Institute. We also have representation on the Research Advisory Committee of the Foundation for Meat and Poultry Research. We have been a Sustaining Member of the International Association for Food Protection (the leading global food safety professional organization) for the past eight years as well as a Sustaining Partner of the American Meat

Science Association, which has a mission to improve food safety through scientific advancements. We are part of the GFSI Auditor Training and Professional Development Committee and we are members of the Food Allergy Research and Resource Program (FARRP) and Food Allergy Canada. We are also active participants with Import-Export Canada and Plant-Based Foods of Canada.

Since 2019, we have partnered with the U.S.-based Alliance to Stop Foodborne Illness (STOP). Maple Leaf Foods has recently developed a teaching video to communicate a compelling personal story of a family who has survived a serious foodborne illness, to make clear why food safety must be a central value of the food system and to be used by STOP Alliance members.

OUR ACCREDITED LABORATORIES

Maple Leaf Foods has four accredited laboratories that perform analytical testing to maximize our food quality and safety and minimize health risks. Maple Leaf Foods' accredited laboratories are ISO/IEC 17025 accredited with Standards Council of Canada. Our laboratories use advanced techniques and equipment to provide food safety risk assessments, investigative testing, method development and validation. Plus, our laboratory staff are trained and experienced in chemical and microbiological qualitative and quantitative analysis in food and food processing environments.

FIVE-YEAR FOOD SAFETY STRATEGY

We have updated our five-year strategy for food safety and quality with an overarching goal of relentlessly pursuing a world-class food safety and quality culture. Our strategy represents the evolution of our Food Safety Promise and the commitments we made in 2009, which are embodied in our vision, "To always produce safe, great tasting food, produced in a safe work environment." Updates in 2020 have focused on support of Health, Safety, Security and Environment (HSSE) and Food Safety safeguards at our plants during the COVID-19 pandemic.

The strategy is put into action through the engagement of all Maple Leaf Foods employees and through a variety of initiatives, including:

- Ensuring food safety training for our people
- Strong industry-leading food safety and quality performance metrics that ensure accountability through transparency
- Pursuit of a preventative approach to continuous improvement
- Investment and continued support of our ambitious *Salmonella* Reduction Strategy in the poultry supply chain
- Enhancing preventative controls through improved Hazard Analysis and Critical Control Point (HACCP) plans and expanded training and certification of associates
- Relentless efforts to enhance and improve our already world-class Listeria Monitoring Program

FOOD SAFETY, QUALITY, METRICS AND TRANSPARENCY

The value of measurement, reporting and transparency cannot be understated. In 2017, Maple Leaf Foods launched a new paradigm for food safety and quality metrics that we believe will guide improved performance in our operations for years to come.

As part of this effort, we established the Food Safety Incident Rate (FSIR) and the Quality Incident Rate (QIR). These two indexed values are calculated each month for every production site based upon well-defined Key Performance Indicators (KPIs). For FSIR, we measure recalls, near misses, pathogen failures, repeat non-conformance on internal audit, regulatory non-conformance and consumer complaints for food safety–related issues. Similarly, the QIR metric has two KPIs: recalls and withdrawals for quality, and consumer complaints for quality.

The KPIs for each metric are used in a formula that generates the FSIR and QIR values on a monthly basis. Each month, plants across the enterprise are ranked by FSIR and QIR, and a review is held with the plant leadership group and senior management team, including the CEO, to discuss successes and failures.

The first three years of the program were very successful, and tweaks were made in 2020 to drive further improvements. We are pleased to report that our food safety and operational teams executed effective plans that achieved our 2020 targets. We met and exceeded our FSIR target by 41% and QIR target by 63%. These results are a reflection of the dedication and commitment to our Food Safety Promise from the manufacturing facilities.

SANITATION STRATEGY AND PERFORMANCE METRICS

Sanitation is a foundational and critical part of our food safety strategy. At Maple Leaf Foods, sanitation has always been an important part of our Environmental Monitoring program. Our sanitation strategy deployment began by completing a plant current-state assessment across the network, prioritized by identifying plants with food safety risks and plants recently acquired. Responding to COVID-19, disinfection protocols were developed and implemented in plant welfare areas to assure a safe employee workplace.

At the end of the first year, the Sanitation Incident Reporting (SIR) performance metric met and exceeded the plant network target by 19%. The partnership between Corporate Asset Reliability and Corporate Sanitation created an Equipment Water Damage report to address equipment damage caused by water. A plan has been developed to address the critical issues. The strategic goal is to achieve sanitation execution excellence while preserving our assets.

SALMONELLA REDUCTION STRATEGY IN FRESH POULTRY

In 2020, Maple Leaf Foods continued to commit resources to its fresh poultry pathogen reduction efforts by focusing its efforts on Salmonella monitoring, developing and executing mitigation strategies along the entire end-to-end fresh poultry supply chain.

Properly cooking fresh poultry kills Salmonella, but our path forward is to first focus on pathogen reduction. Our multi-year strategy will result in a reduction in the prevalence, load and the likelihood of the presence of the most pathogenic Salmonella stereotypes: those most commonly associated with human illness. In 2020, we continued to learn from our interventions, results and metrics that span our entire supply chain (from breeders to hatchery broiler farms and processing plants). The strategy continues to drive the implementation of best-in-class management practices, proven intervention techniques and practical steps in processing that will reduce risk. As in previous years, we also continued to share our results and our learnings with industry peers and government authorities with the goal of raising the bar on this very important food safety challenge. Data from the Public Health Agency of Canada continues to show our Salmonella results are well below industry levels.

There are an estimated four million cases of foodborne illness in Canada every year. We are committed to reducing that risk to the lowest level possible through our food safety strategies and by empowering consumers with information to handle and prepare our products with confidence, so they are safe when served.



Better Care

Overview

Goals

- Complete transitioning our owned sow barns to our Advanced Open Sow Housing system
- Install environmental enrichments in our remaining sow barns as they transition to Advanced Open Sow Housing
- Finish rolling out SafeFlight, our real-time poultry digital trailer environmental monitoring system
- Continued to evaluate the phased elimination of surgical castration of pigs
- Implement environmental enrichments in our first phase of broiler farms
- Advance development of our custom poultry processing video training modules

2020 Highlights

- Transitioned 61,900 sow spaces (87% of total sow spaces) to our Advanced Open Sow Housing system to date
- Installed environmental enrichments in all our Advanced Open Sow Housing sow barns, nursery and growing pig barns
- Added five climate-controlled poultry trailers to the Alberta fleet
- Fully implemented SafeFlight real-time poultry digital trailer environmental monitoring in our Alberta operations
- Finished implementing Remote Video Auditing in 100% of our hatcheries and processing plants

Maple Leaf Foods has strong values that deeply define our culture and how we operate. These values extend to how we treat animals we raise or source. Better care for animals is one of our four sustainability priorities, and it reflects our goal to be a leader in animal care.

Maple Leaf Foods is a vertically-integrated company that owns hog production, hatching egg production, broiler chicken hatcheries, and pork and poultry processing plants. Maple Leaf Agri-Farms raises approximately 41% of the pork that we process, with the balance coming from contracted producers. In our poultry operations, we operate three broiler chicken hatcheries and source our supply of chicken from independent producers. We work closely with the third-party hog and poultry farmers and related service providers who supply our processing operations. We also source animal protein for use in our products from supply chains outside our direct care and control, including chicken, turkey, beef, veal, dairy and eggs. We are major producers of pork and chicken and source smaller quantities of turkey, beef, veal, dairy and eggs.

96% reduction

Since 2014, we have reduced our antibiotic usage by 96% across Maple Leaf Foods' hog operations.

100% Raised Without Antibiotics

We transitioned our Maple Leaf Prime® brand to 100% Raised Without Antibiotics.

Largest producer of RWA pork

Maple Leaf Foods is among the largest producers of RWA pork in North America and the largest in Canadian poultry.

Commitment to Animal Care

Commitment to Animal Care

We are committed to enhancing our animal wellness practices in a manner that advances the Five Freedoms – the most widely accepted global standard for responsible animal care. We are also implementing the Five Domains of animal welfare into our culture – a widely adopted approach for assessing physical and functional factors that affect an animal’s welfare and overall mental state.

The scope of our Commitment to Animal Care extends throughout our global supply chains for all animal proteins we source. The primary focus of our Commitment to Animal Care is establishing standards and practices applicable to our owned operations involving live animals and the Canadian provinces in which they are located. Our Commitment to Animal Care additionally establishes a commitment to work closely with our producer partners and other suppliers to advance high standards of animal care across our supply chain. Animal care requirements for our suppliers and service providers are established through contractual agreements.

RELATED READING

Download our animal care materials and learn more about our commitments.

[COMMITMENT TO ANIMAL CARE](#)

[ANIMAL CARE GOLDEN RULES](#)

[FIVE FREEDOMS AND FIVE DOMAINS](#)

OUR JOURNEY TOWARDS BETTER CARE

In our journey towards better care of our animals, we have significantly enhanced governance, investment and operational focus to build a world-class animal care program. Our veterinarians oversee animal care along with dedicated Canadian Food Inspection Agency (CFIA) staff at each of our processing plants.

We also believe that education and training are the foundation to knowledge, empowerment, accountability and a strong, animal care culture. All employees who handle animals receive animal care training when they commence employment, and this is reviewed at minimum annually.

Maple Leaf Foods will advance our strategic priority of responsible animal care through the following three initiatives:

- Demonstrating leadership in animal care policies and practices
- Investing in housing design and enrichment in all our facilities to support natural behaviours
- Investing in facilities, transportation and processes to eliminate pain and stress

Demonstrating Leadership in Animal Care Policies and Practices

What we are doing:

- Executing our animal care strategy, measuring our performance on initiatives that advance the Five Freedoms and Five Domains
- Requiring third-party suppliers to commit to Maple Leaf Foods' animal welfare standards in procurement contracts
- Continuing to reduce or eliminate antibiotic use across our supply chains, while recognizing the importance of providing necessary medication to sick or injured animals
- Committing to transparency in our communications, including reporting on our goals, progress and performance
- Upholding our Animal Care Golden Rules through rigorous incident investigations and senior management reviews
- Implementing an animal care certification for all our employees who handle animals
- Designing and delivering animal care training modules for fresh pork and poultry plants
- Requiring all drivers, internal and external, to have transportation training that's verified and tracked
- Requiring all our pork and poultry operations to undergo an annual independent audit, and to correct any deficiencies immediately
- Utilizing third-party remote video auditing (RVA) in all of our hatcheries and processing facilities to advance training and operating practices and to respond swiftly to any animal welfare incidents
- Conducting internal audits of all our third-party broiler farmers to ensure they are meeting our high standards of animal welfare (paused due to COVID-19)

Investing in Housing Design and Enrichment

Environmental enrichments are important because they provide animals with more opportunities to express their natural behaviour, such as pecking, rooting and perching, and can enhance their mental and physical health.

Here are some examples of how we are supporting natural behaviours in the animals we raise:

- Transitioning all remaining sows under our management from gestation crates to our Advanced Open Sow Housing system by the end of 2021
- Providing environmental enrichment for our pigs in 100% of our Advanced Open Sow Housing barns and nursery-finisher barns to reduce boredom and promote play
- Pilot-testing free farrowing systems
- Conducting robust broiler environmental enrichment trials and initiating implementation
- Advancing environmental enrichments in our breeder grower and broiler breeder operations by providing pecking blocks to 100% of our owned broiler breeder pullets and evaluating perches and pecking blocks in our broiler breeder flocks

Investing in Facilities, Transportation and Processes

Here are some examples of how we reduce pain and stress in the animals we raise or source:

- Eliminating surgical castration in piglets under our management through a phased transition to immunocastration
- Implementing scientifically advanced and humane euthanasia, including controlled atmosphere stunning, in all our fresh poultry facilities as a core element of our fresh poultry strategy
- Upgrading our existing poultry trailers to include climate controlled trailers and implementing a digital transportation monitoring system that provides real-time temperature and humidity monitoring for transporting poultry
- Converted our internal fleet of hog trailers to hydraulic-lift deck trailers

LEADERSHIP AND COLLABORATION

Maple Leaf Foods works with numerous stakeholders to advance animal care practices across the industry. We take active roles in committees and working groups that are working towards advancing animal care practices.

We also meet frequently with animal advocacy groups as they bring important perspectives to issues, global advancements and science related to animal welfare. We are committed to seeking open and constructive relationships with them.

STAKEHOLDERS, COMMITTEES AND WORKING GROUPS THAT MAPLE LEAF FOODS WORKS WITH:

- Member of the Global Coalition for Animal Welfare (GCAW)
- Member of the Manitoba Pork Council, which itself is a member of the Canadian Pork Council (CPC)
- Board director of the Canadian Poultry and Egg Processors Council (CPEPC) and leader in initiating an in-depth broiler welfare working group
- Associate member of the National Farm Animal Care Council (NFACC) and representative in the Animal Care Assessment Framework process for hatchery welfare standards in 2020
- Board member of the Ontario Broiler Hatching Egg and Chick Commission
- Sponsor of the National Science and Engineering Research Chair in Swine Welfare at the University of Saskatchewan
- Member of the International Poultry Welfare Alliance (IPWA) and participant in the IPWA Broiler Subcommittee
- Platform partner and Advisory Board Vice-Chair of the Poultry Innovation Partnership in Alberta, formerly the Poultry Research Centre at the University of Alberta
- Expert panel member of the Sysco Animal Welfare Council

- Member of the North American Meat Institute (NAMI) Animal Welfare Committee
- Presenter at NAMI's 2020 Animal Care and Handling Conference
- Member of the NAMI Protein PACT for People, Animals and the Climate of Tomorrow
- Participant in the Animal Health Canada Work Group
- Collaborator and supporter of animal health and welfare research projects

Leadership and Collaboration Highlights

BROILER STOCKING DENSITY RESEARCH

We collaborated with Dr. Karen Schwean-Lardner and her team from the University of Saskatchewan to conduct a research trial evaluating the impacts of broiler stocking density on bird welfare, performance, environment and condemnations. We investigated outcomes including leg and foot pad health, bird production parameters, indicators of stress, and environmental measures such as air quality and bedding quality. We also evaluated the impacts of stocking density on bird behaviour by analyzing video recordings.

BROILER ENVIRONMENTAL ENRICHMENT TRIALS

In 2020, we continued our environmental enrichment field testing for broiler chickens, incorporating newly designed objects based on our past findings. Our goal was to design objects that promote natural behaviours and are well used by the birds, that are also easy to clean, biosecure, lightweight and safe.

As part of our enrichment trials, we collaborated with Dr. Elijah Kiarie from the University of Guelph to conduct bone analysis to determine the impacts of environmental enrichments on broiler leg health.

We also partnered with Dr. Martin Zuidhof through the Poultry Innovation Partnership to complete a full statistical analysis of our enrichment testing results, including bird behaviour, foot pad and hock lesions, bone strength attributes and production parameters.

AFRICAN SWINE FEVER AND COMPARTMENTALIZATION

We have taken a leadership role in the pork industry regarding planning and preparedness for an outbreak of African Swine Fever (ASF) in Canada. Our current focus is to maintain and ensure global food security and the highest degree of animal welfare and environmental stewardship during the course of disease eradication efforts, should they become necessary.

A key focus of our ASF preparedness efforts is the development of an ASF-Free Compartment. Compartmentalization is a disease control strategy where a subpopulation of animals under a common management system can be certified as free of disease based on compliance with a set of rigorous

disease prevention and risk mitigation requirements. An ASF-Free Compartment would allow trade to continue from Compartment farms should ASF enter Canada.

Maple Leaf initiated and continues to actively support a national effort, now led by the Canadian Food Inspection Agency and the Canadian Pork Council, to develop national standards and a governance framework for a National ASF Compartmentalization Program in Canada. Canadian efforts to develop an ASF Compartmentalization Program represent global leadership in ASF control.

We continue to work with expert veterinary epidemiologists at One Health Scientific Solutions and Ausvet to develop best practices in ASF prevention and control. In 2020, a highlight of this collaboration was publishing a scientific article about risk-based early detection of ASF using mortality thresholds (Faverjon et al., 2020; doi: 10.1111/tbed.13765).

Our veterinarians and technical experts are actively involved in all aspects of preparing for ASF. They have designed and implemented measures to protect our farms, including biosecurity measures necessary to prevent ASF entry, real-time traceability of movements of people, vehicles and pigs, and surveillance programs to ensure early detection of ASF in the event it enters Canada.

PROVIDING EDUCATIONAL OPPORTUNITIES

Although the circumstances of 2020 required most on-site visits to be postponed, we still provided on-site experiential learning for a final year veterinary student interested in food animal medicine. Visits to farms and other poultry and livestock operations are a critical part of educating aspiring veterinarians and others who seek to work with animals.

INVESTIGATING BREAST MUSCLE MYOPATHIES

We collaborated with Drs. Shai Barbut and Leonardo Susta at the University of Guelph and with our genetics supplier to further investigate the epidemiology and consequences of breast muscle myopathies in broilers. Breast muscle myopathies result in poor meat textural qualities. By working with the University of Guelph team we were able to better understand conditions leading to breast muscle myopathies and actions that can be taken to reduce their incidence.

BROILER WELFARE AUDITOR TRAINING

We supported the Professional Animal Auditor Certification Organization (PAACO) and a key customer to develop a customized broiler welfare auditor training course for their auditors. We compiled video footage of our hatchery, broiler farm, and processing plant operations to provide a virtual tour to the audit trainees.

DIGITAL FARM TRACEABILITY AND BIOSECURITY TECHNOLOGY

Our Maple Leaf Agri-Farms and Information Solutions Infrastructure teams co-innovated with Be Seen Be Safe Ltd. to adapt their existing digital traceability technology into a new system called Farm Health Guardian™. Farm Health Guardian is a complete, real-time disease spread mitigation platform that tracks personnel and vehicle movements in coordination with the health status of barns or geographic areas. In the event of an animal disease incident, time is of the essence. This system allows our team to impose movement restrictions and conduct biosecurity trace-backs in near real-time, reducing the risk of disease spread and saving hours of work compared with traditional paper-based methodologies. Through the course of our co-innovation, we helped to develop a system that is customized for pork production operations and which allows greater flexibility for different types of digital connections. We have worked with Be Seen Be Safe Ltd. to share this system with other hog producers and pork production companies and with the Canadian Food Inspection Agency.

NORTH AMERICAN MEAT INSTITUTE: PROTEIN PACT FOR PEOPLE, ANIMALS AND THE CLIMATE OF TOMORROW

Maple Leaf Foods leaders were instrumental in the initiation and development of the North American Meat Institute (NAMI) Trust in Animal Protein Task Force, and Maple Leaf's representative on the NAMI Executive Board fulfilled the role of chairman of the task force. The work of the task force ultimately led to the formation of the NAMI Protein PACT, a multi-species effort that is coordinated and funded by supply chain partners across the various value chains. Maple Leaf leaders are directly engaged in the sub-committee activity of the Protein PACT through the Animal Care, Food Safety, Environment and Human Rights / Labor pillars. The Protein PACT seeks to earn trust from stakeholders through continuous improvement that demonstrates shared value so that:

- Consumers concerned about animal protein production and consumption believe the entire animal protein value chain is aligned with their values and is an important part of a socially responsible and healthy diet.
- The animal protein sector is honest, open, transparent and authentic in evaluating practices, and is seen as such by consumers and stakeholders.
- There is alignment between producers and processors in building trust (cattlemen and women, pork producers and processors, chicken producers and processors, etc.).
- The animal protein sector co-exists with those who oppose animal protein today.

"From the inception of the North American meat industry's vision to align its continuous improvement philosophy with consumer values, Maple Leaf Foods (MLF) has provided a crucial industry leadership role. Not only did leaders from MLF facilitate NAMI board action directing the creation of the Protein PACT framework, but they also provided many hours of input into development of the goals, targets and metrics NAMI members will use to drive success in sustainability commitments across five non-competitive pillar areas. Furthermore, MLF leaders have acted as champions for Protein PACT, generating momentum and support for the vision at key moments during its development, speaking at board meetings, member conferences and committee meetings. MLF's influence is significant because it "walks the walk" with its own commitment to sustainable meat production. NAMI is grateful for MLF's partnership and generosity in sharing its expertise with peer processor companies of all sizes for the advancement of the whole industry."

-Julie Anna Potts, CEO, North American Meat Institute

Monthly "Caring Hands Awards"

To recognize people for their outstanding animal welfare practice, we have created a monthly award called the "Caring Hands Award." This award goes to an individual or a team who leads or sets an example for outstanding animal welfare practice.

The awarded person or persons can be anyone – our hourly, salary or contract staff, or service providers.

Animal Care Oversight

Animal Care Oversight

We have significantly enhanced governance, investment and operational focus to build a world-class animal welfare program. Animal welfare is a shared responsibility with Maple Leaf executive leadership accountable for our performance.

Our Vice-President of Animal Care leads the implementation of our program, which incorporates leading science and advancements. Senior leaders routinely engage in animal care programs, policies and results through our internal Animal Care Council and quarterly CEO/COO updates. Our Animal Health & Welfare Technical Committee and Animal Health & Welfare Technical Committee Working Group comprise experts from throughout our Company who meet routinely to identify requirements, advance practices and monitor progress. In addition, we work with a council of external experts, our Maple Leaf Animal Care Advisory Council, to recommend best practices, scientific research and innovation in an effort to help us continually improve. Animal care reports are submitted quarterly to the Safety and Sustainability Committee of the Maple Leaf Foods Board.

Senior leaders of our hog production, poultry and pork businesses continue to maintain operational responsibility for animal care, regularly reviewing reports and audits, and signing off on policies. Within the business, we have five veterinarians who oversee animal welfare, along with dedicated Canadian Food Inspection Agency veterinarians and staff at each of our processing plants. Animal welfare metrics are reported regularly, and non-compliance or audit failures are addressed immediately.

EDUCATION AND TRAINING

Education and training are foundational to knowledge, empowerment, accountability and a strong animal care culture. Every employee involved in the raising, transport and processing of animals must be trained on and adhere to our animal care policies and procedures. All employees who handle animals receive animal care training when they commence employment, and this is reviewed minimum annually. Training is a critical part of building a strong animal care culture.

Maple Leaf Foods has over 30 experts who are Professional Animal Auditor Certification Organization (PAACO) certified across our pork and poultry operations, and they monitor animal welfare every day. Our people who are PAACO trained and certified have deep knowledge and skills related to animal welfare monitoring and reporting.

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Monitoring Animal Welfare

AUDITING AND CORRECTION ACTIONS

A rigorous and highly visible internal, independent, and remote video auditing program is essential to reinforce high standards of animal care.

Our employees, who have undergone extensive training through the Professional Animal Auditor Certification Organization (PAACO), conduct weekly audits of our hog and poultry facilities. Our meat processing facilities are monitored daily for animal health and quality by on-site Canadian Food Inspection Agency veterinarians and our PAACO-trained employees.

OUR HATCHERIES AND POULTRY BARN OPERATIONS

Each of our full chicken supply chains is audited by a third party annually, combined with a comprehensive internal auditing program for each type of operation.

All of our hatcheries are audited monthly by our PAACO-trained and certified people, annually by an independent auditor, and daily through Remote Video Auditing for compliance with the National Farm Animal Care Council (NFACC) Code of Practice, Canadian Hatchery Federation Animal Care Program, and National Chicken Council (NCC) standards for welfare in broiler chicken hatcheries. The CFIA also audits our processes, animal welfare documents and training records on a regular basis. We routinely monitor the placement of chicks into barns to ensure proper chick handling and barn conditions.

Maple Leaf Foods' owned pullet and broiler breeder flocks are audited monthly by our PAACO-trained people and annually by a third-party auditor according to the NFACC Code of Practice, Canadian Hatching Egg Producers (CHEP) Animal Care Program, and NCC standards for broiler breeders. Hatching egg producers are also audited by their provincial board for compliance with the CHEP Animal Care Program, which incorporates third-party auditing to ensure effective program implementation.

Our third-party broiler chicken farmers undergo internal animal welfare audits by our PAACO-trained Animal Health and Welfare Technicians (AHWT) according to the NFACC Code of Practice, Chicken Farmers of Canada Animal Care Program and NCC standards for broilers. All broiler chicken farmers are also audited by their provincial chicken board for compliance with the Chicken Farmers of Canada Animal Care Program, which incorporates third-party auditing to ensure effective program implementation.

As part of our broiler welfare program, some of our farms also meet the standards of Certified Humane® Raised and Handled and Canadian Organic standards.

Our trained auditors routinely perform chicken catching and loading audits of our third-party contracted catching companies and live haulers according to the NFACC Code of Practice and NCC standards for broilers. Our investment in dedicated, trained auditors responsible for supporting on-farm animal welfare practices of third-party broiler chicken farmers is leading to improvements in bird welfare from chick placement through to catching, transportation and processing. Broiler grow-outs, catching and loading also undergo annual third-party auditing.

OUR HOG BARN OPERATIONS

All of Maple Leaf Foods' owned hog production operations are audited annually by our internal quality assurance personnel as well as by a third-party HACCP- and PAACO-certified auditor. Maple Leaf Foods is the first company in Canada to move to full, annual on-farm Canadian Pork Excellence and PigCARE program audits that include animal-based measures. In addition, our owned hog farms receive routine service visits by our internal technical experts. Our five feed mills are licensed by CFIA and are subject to annual audits as well.

Our third-party hog suppliers to our pork plants are required to follow the protocols of the Canadian Quality Assurance Program and Animal Care Assessment Program, which are transitioning to the Canadian Pork Excellence and PigCARE programs, and all elements of the programs are audited by certified auditors. Increasing the visibility of the animal welfare practices of our suppliers, which historically has been the primary responsibility of provincial associations, will be an important part of broader improvements to our program. This will include sharing knowledge and advancements we make in the areas of auditing and reporting, training and operations.

MEAT PROCESSING OPERATIONS

Our meat processing facilities are monitored by dedicated on-site inspectors from the CFIA. All our processing operations are required to undergo comprehensive third-party animal welfare audits, a minimum of annually, which are conducted by PAACO-certified auditors. These third-party auditors have open access to our facilities and the freedom to interview any of our employees as part of the audit process. This is a leading practice, which allows us to test the effectiveness of our animal welfare practices and procedures based on established and quantifiable animal well-being guidelines. All of our meat processing operations are also audited daily on each shift through third-party Remote Video Auditing.

THIRD-PARTY REMOTE VIDEO AUDITING

Using modern auditing techniques for system oversight is an important element of accountability. Remote Video Auditing (RVA) involves daily video-based auditing of our operations by trained third-party auditors. These auditors send out an immediate notification upon observation of any concern or infraction. Our auditing is performed by industry-leading, third-party expert Arrowsight, who ensures we capture the critical points of animal handling at our hatcheries and primary processing facilities. We are also working with Arrowsight to test mobile RVA technology capable of auditing catching and loading processes on chicken and pig farms.

Standards and Performance

Standards and Performance

STANDARDS OF PRACTICE

We do not ever use genetic engineering or cloning in any animals we source. We do not ever use growth promoting hormones or beta-adrenergic agonists in any poultry and pork supplying our operations.

WITHIN OUR OPERATIONS, MAPLE LEAF FOODS ADHERES TO A NUMBER OF STANDARDS, INCLUDING:

- National Farm Animal Care Council (NFACC) Codes of Practice
- Canadian Pork Excellence and PigCARE
- North American Meat Institute (NAMI) Animal Handling Guidelines
- Canadian Hatching Egg Producers CHEQ™ and Animal Care Programs
- Canadian Hatchery Federation Animal Welfare Program
- Chicken Farmers of Canada Animal Care Program
- Certified Humane® Raised and Handled (applies to a portion of our broiler chicken supply)
- National Chicken Council Animal Welfare Guidelines for Broilers
- National Chicken Council Animal Welfare Guidelines for Broiler Breeders

View our Animal Welfare Performance Report.

We routinely evaluate various poultry genetic strains to ensure we are raising healthy chickens with high welfare in an environmentally responsible way.

100% of turkeys and chickens in all of our supply chains are group-housed and free from cages and confinement.

All animals in our operations undergo pre-slaughter stunning to ensure they are insensible to pain. The effectiveness is monitored continuously by employees and through internal and third-party remote video auditing. Pre-slaughter stunning is required for all animals in our supply chains.

PHYSICAL ALTERATIONS

All piglet physical alterations in Canada are performed with medication for pain control in accordance with the National Farm Animal Care Council (NFACC) Code of Practice. We do not ever perform teeth clipping or ear notching on our piglets, and tattooing of piglets is limited to genetic replacement animals only. Currently, tail docking is a necessary piglet procedure in order to prevent tail injuries from other pigs. In 2020, we began a phased multi-year process of eliminating surgical castration in all pigs we manage.

Poultry physical alterations are necessary in breeding birds for the long-term welfare of the flock to reduce or eliminate injuries that may cause pain. In Canada, any physical alterations, such as beak and toe treatments, are performed using the most humane methods possible and limited to only essential alterations. All broiler chickens that Maple Leaf Foods sources never undergo physical alterations, including beak treatment, consistent with the NFACC Code of Practice. No physical alterations are performed in Maple Leaf Foods owned hatcheries.

CLOSE CONFINEMENT

We are committed to eliminating or reducing close confinement of animals throughout our supply chain. Our broiler breeders, broiler chickens and turkeys are never kept in confinement housing. We are investing heavily in eliminating confinement during sow gestation by converting all our owned barns to our Advanced Open Sow Housing system which is on track to be completed by the end of 2021. We are supportive of efforts by the National Farm Animal Care Council and the Canadian Pork Council to require all Canadian pig farmers to implement loose sow housing.

ENVIRONMENTAL ENRICHMENT

As part of our commitment to enhancing the mental and physical well-being of our animals, we view environmental enrichments as an important means of supporting natural behaviours, reducing boredom and improving the health of our animals. All of our owned pigs are provided environmental enrichments in the form of carefully selected hanging toys for our nursery-finisher pigs and group housed sows, and we are piloting additional sow enrichments such as burlap. We have completed extensive field trials evaluating broiler environmental enrichments and will be starting our phased implementation of enrichments to support pecking, perching and hiding behaviours in 2021. We also provide pecking stone enrichments to our breeder grower and broiler breeder flocks which have led to improvements in the feathering and health of our flocks.

TRANSPORTATION

All of our chickens that are processed in Alberta come from barns in Alberta and all of our chickens processed in Ontario come from barns in Ontario. The majority of chickens supplying our fresh poultry plants (approximately 59%) spend less than two hours in transit, while approximately 39% spend two to four hours travelling, and the rest (approximately 2%) do not exceed seven hours of travel time. Most pigs supplying our fresh pork plants (approximately 92%) spend less than eight hours in transit and only 2% of them spend over 12 hours travelling.

We are compliant with the transportation requirements set by the Government of Canada Health of Animals Regulations and Safe Food for Canadians Regulations. All drivers transporting animals to our processing plants must be certified in Transport Quality Assurance® (TQA) or have Canadian Livestock Transport (CLT) certification or equivalent.

AVERAGE HOURS OUR PIGS SPEND IN TRANSIT

85% < 4 hours
7% 4–8 hours
6% 8–12 hours
2% > 12 hours

AVERAGE HOURS OUR CHICKENS SPEND IN TRANSIT

59% < 2 hours
39% 2–4 hours
2% 4–7 hours

Responsible Antibiotic Use

Responsible Antibiotic Use

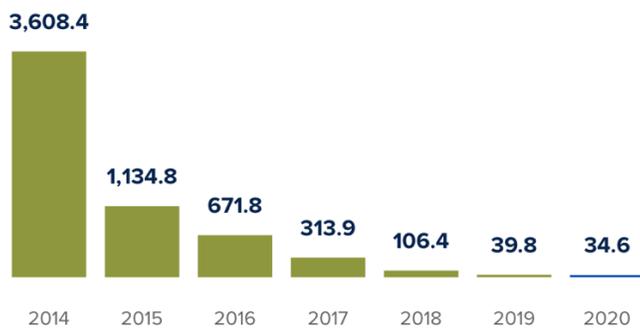
Our society is becoming increasingly concerned about the use of antibiotics in animal production with alternative drug choices for the treatment of many bacterial infections becoming more limited, more expensive or non-existent.

Maple Leaf Foods is committed to minimizing or eliminating the use of antibiotics wherever possible, while maintaining high standards of animal care. We are actively engaged in industry and government efforts to reduce antibiotic use in livestock operations, including increasing veterinary oversight of antibiotics prescribed to livestock.

We reduce antibiotic use through our Raised Without Antibiotics (RWA) program, which focuses on providing excellent management, health and nutrition to our animals so that antibiotics are rarely required. Should any animal, herd or flock that is in our RWA program become sick, all treatment options are considered in consultation with a veterinarian, including administering an antibiotic. If an antibiotic is administered, the treated animal, herd or flock is removed from the program. We are actively implementing operating protocols that reduce higher mortality rates in animals that are raised without antibiotics, which is one of our animal care priorities.

ANTIBIOTIC USAGE IN MAPLE LEAF FOODS' PIG OPERATIONS

mg Active Ingredient / kg Pork Produced



In 2020, antibiotic usage in our owned pigs was an average of 34.6 mg of active ingredient per kg of pork produced based on antibiotic quantity dispensed. Of those pigs, 52% were Raised Without Antibiotics and never received any antibiotics throughout their entire lifetime.

Since 2014, we've reduced our antibiotic usage by 96% across our pig operations.

We transitioned our Maple Leaf Prime® brand to 100% Raised Without Antibiotics.

Maple Leaf Foods is among the largest producers of Raised Without Antibiotics pork in North America and the largest in Canadian poultry.

Innovations in Animal Welfare

Innovations in Animal Welfare

OUR COMMITMENT TO ADVANCED OPEN HOUSING FOR SOWS

In 2007, Maple Leaf Foods was the first major company in Canada to commit to converting sows from gestation crates to an enhanced open housing system. By the end of 2020, Maple Leaf Foods had transitioned approximately 61,900 sow spaces (87%) to our Advanced Open Sow Housing system.

When Maple Leaf Foods set out to assess open housing methods, we worked closely with the University of Manitoba and other industry participants. We wanted to assess current methods and define adaptations that were needed to support Canadian hog production. In 2007, we made our original commitment to move to open sow housing by 2017.

We began significant conversion activities in 2013 to two of our sow barns and transitioned 1,250 sow spaces to our Advanced Open Sow Housing system.

We met our 2007 sow housing commitment in 2017; however, since 2007, Maple Leaf Foods has acquired an additional 33,000 sows. By the end of 2020, we had successfully transitioned approximately 61,900 sow spaces (87% of all our sow spaces) to our Advanced Open Sow Housing system, where sows are free to roam, feed and socialize. All Maple Leaf Foods sows will be moved to our Advanced Open Sow Housing system by the end of 2021.

It takes a great deal of skill and attention to transition animals from a confined environment to enhanced open housing in a way that minimizes natural aggression and competition for food. A significant amount of research, investment and experience has enabled Maple Leaf Foods to support conversion of sows from confined to advanced open housing in a way that optimizes animal well-being.

TRANSPORTATION

We have converted all of our pig trailers to hydraulic-lift deck trailers to reduce stress during loading and unloading and enhance ease of use for our drivers. These trailers bring the pigs from the sow barn to nursery barn, and from the nursery to the finishing barns.

In our poultry operations, we have added five climate-controlled poultry trailers as part of our trailer fleet in Alberta and are working towards implementing climate-controlled poultry trailers in the Ontario fleet. Climate-controlled trailers provide added protection for birds during harsh weather conditions.

We have developed a custom real-time, digital temperature and humidity monitoring system called SafeFlight for use across our poultry transportation system. In 2020, we completed implementation in

the Alberta fleet and part of the Ontario fleet. This system reports trailer conditions in real time to our drivers and lairage monitors which enables them to take immediate corrective actions if necessary, improving the comfort and well-being of our birds.

EVALUATING FREEDOM FARROWING SYSTEMS

In 2020, we continued to perform a small-scale trial using two different designs of freedom farrowing systems (maternity pens). This allows sows that are nursing piglets more space and increased freedom of movement, while still protecting their piglets from being injured by the sow. The pilot has been successful in allowing increased freedom of movement and not compromising the safety of the piglets. This trial will continue in 2021 and beyond as we gather more data and increase our understanding of sow and piglet behaviour and interaction in these advanced welfare maternity pens.



Better Communities

Overview

Our Goals

- Continue conducting a high-impact external campaign that engages consumers and policy makers to advance food security
- Multiply our impact through convening and collaboration
- Contribute more than \$1.5M in healthy food products in 2021
- Develop a comprehensive People Strategy to attract, retain and engage the best talent
- Execute on our Diversity & Inclusion Blueprint and achieve gender parity in management roles by the end of 2022
- Strive for a Total Recordable Incident Rate (TRIR) of 0.55 or less and a Days Away, Restricted or Transferred (DART) Rate of 0.22 or less
- Strive for 100% completion rate on plant safety and health accident reduction plans (SHARP)

2020 Highlights

- Conducted the #ApartTogether campaign in spring 2020 and generated almost \$600K in donations reaching more than 2 million people with social content
- Donated more than \$2M to support emergency food access and donated over \$2.5M of healthful products, a 67% increase from 2019
- Announced our Diversity and Inclusion Blueprint, outlining our comprehensive approach to how we will address systemic and cultural barriers and provide an environment with equal opportunity to thrive
- Achieved 38% representation of women at the manager level and 32% representation of women at the director level
- Delivered mental health training to 88% of people leaders
- Achieved a world-class TRIR of 0.48 and a DART of 0.24

We value our communities and work collaboratively with organizations to reduce food insecurity in Canada. We value a culture and work environment that keeps people safe, rewards excellence and empowers everyone to learn and contribute their best.

PARTNERING WITH ORGANIZATIONS

The Maple Leaf Centre for Action on Food Security partners with organizations across Canada to advance food security.

Here are some of the innovative programs we are supporting:



Food Insecurity

Food Insecurity

Food insecurity is a critical social issue that impacts health and academic and economic potential, and disproportionately affects racialized communities. People are food secure when they have stable access to affordable, nutritious and culturally appropriate food. People who are food insecure worry about running out of food, compromise on food quality or skip meals because of lack of access and money for food.

It is unconscionable that in Canada, a country of considerable wealth and food resources, over four million people face food insecurity. This is not a food issue – Canada has plenty of food to nourish everyone. It is largely the result of insufficient or increasingly unstable income, worsened by geographic location, social isolation, health and knowledge barriers, and structural racism.

4.5 million Canadians, or 12.7% of households, face food insecurity.

The statistics are shocking

- Over 4.5 million Canadians (one in eight households) experienced some level of food insecurity, affecting one in every six children before COVID-19*
- Food insecurity increased by 39% in the first few months of the COVID-19 pandemic**
- 72% of children in Nunavut live in food insecure households, the highest level in Canada***
- Indigenous & Black households have a rate of food insecurity that is over 2.5 times higher than that of other Canadians****

Food insecurity is a serious public health problem, as physical and mental health is closely linked to peoples' ability to access healthy foods. Levels of food security in Canada over the past decade have not improved and have in fact worsened in some provinces.

*Source: Household Food Insecurity in Canada, 2017-18, PROOF

**Source: Food Insecurity during the COVID-19 Pandemic, May 2020

***Source: Household Food Insecurity in Canada, 2015–16, PROOF

****Source: Household Food Insecurity in Canada, 2012, PROOF

MAPLE LEAF CENTRE FOR ACTION ON FOOD SECURITY

Maple Leaf Foods has a long-term commitment to shared value creation, including meaningful social change. As part of this commitment, we conducted over two years of consultation to establish a community impact strategy, resulting in the creation of the Maple Leaf Centre for Action on Food Security (the Centre) in 2016, a registered charity governed by an independent Board of Directors. The Centre is committed to working collaboratively across sectors with the goal of seeing food insecurity in Canada reduced by 50% by 2030.

Since its launch, the Centre has made investments in 22 initiatives across Canada that apply innovative approaches to increase reliable access to good food and reduce food insecurity. In 2020, the COVID-19 pandemic put a spotlight on the challenges of food access in Canada and beyond and the disproportionate impact on racialized and low-income communities. Working with our partners, we advocated for direct financial benefits for those in need and directed additional support to emergency food efforts. While emergency food relief never has, and never will, solve food insecurity, it has been a critical and essential service through the pandemic.

In 2020, the Centre and Maple Leaf Foods donated more than \$2 million to support emergency food access (beyond the Centre's ongoing commitments) and donated over \$2.5 million of product, a 67% increase from 2019. We also ran a national campaign to both raise awareness of the issue and additional funds for Community Food Centres Canada and Food Banks Canada.

As part of our ongoing focus on increasing knowledge regarding barriers to food security and the efficacy of interventions to provide sustainable solutions, the Centre awarded the first three Maple Leaf Board Chair Scholarships in Food Insecurity to Master's and PhD students from the University of Toronto, University of Saskatchewan and University of Calgary.

OUR PRINCIPLES

- 1) We support food-based initiatives that promote dignity and build individual and community capacity to advance food security.
- 2) We support partnerships that advance sustainable solutions to food insecurity.
- 3) We support innovation, learning from what doesn't work as well as what does.
- 4) We connect our people and their expertise with our partners through skill matching and volunteerism.
- 5) We build partnerships with governments, academia, non-profit organizations and the private sector to advance change and progress.
- 6) We seek to advance collective knowledge and impact, sharing the learnings with others.

1 in 6 Canadian children and 1 in 8 Canadian households are affected by food insecurity.

PARTNERING WITH ORGANIZATIONS

The Maple Leaf Centre for Action on Food Security partners with organizations across Canada to advance food security.

Here are some of the innovative programs we are supporting:



Here's what our partners have to say about our working relationship:

“The Maple Leaf Centre for Action on Food Security has been key in helping Community Food Centres Canada (CFCC) to become a national leader in the food security sector. As the Centre has worked to innovate in their own approach, we’ve enjoyed a collaborative relationship with the shared goal of changing the national conversation around food insecurity. As a funder, they understand the importance of dedicated and flexible support that has enabled us to innovate and expand our work. The Centre’s commitment to supporting communities was a catalyst in our response to the pandemic, with a generous gift and matching campaign that helped us launch the Good Food Access Fund. To date, the Fund has raised an incredible \$40 million and supported more than 800 communities across Canada during this time of crisis.”

Nick Saul, CEO, Community Food Centres Canada

“The team at FoodShare really values our relationship with the Centre. It’s one of those true partnerships based on a commitment to shared goals. Support from the Centre has come in various forms, from mentorship and financial investment to strategic introductions, all in service of advancing our vision of a Toronto where all people can feed themselves with dignity and joy.”

Paul Taylor, Executive Director, FoodShare Toronto

“The Northern Manitoba Food, Culture and Community Collaborative partners with about 30 community-led food security projects annually, and through those partnerships thousands of people in northern Manitoba have developed food-related skills, increased the availability and quality of foods, and have planted the seeds of possibility for the future. The people of northern Manitoba are leading a movement to health and strength through strong food systems, and we are proud to be good partners in that movement.

It has been a pleasure and benefit to have staff from the Centre and Maple Leaf Foods contribute to and take part in this work. We didn’t know what to expect from this partnership, as the Centre represented our first deep connection to the business world. The team has demonstrated great enthusiasm and support for the work as regular participants in our work.”

Julie Price, Tides Canada

SUPPORTING THE FRONTLINE FUND

Maple Leaf Foods was a founding partner and a catalyst to launch the Frontline Fund, with a contribution of \$2.5 million. The Fund was created to support hospital foundations across Canada dealing with COVID-19 by arming front-line healthcare workers with additional supplies and support. Over \$12.2 million was raised through the campaign, with 58% of hospital funding directed to supplies such as PPE, disinfectant, testing equipment and ventilators. Another 28% was directed to provide food and hotel vouchers that allowed front-line workers to self-isolate, particularly during the early days of the pandemic. Approximately 14% of proceeds have been directed to support research, including clinical trials and vaccine development.

SUPPORTING UNICEF

Maple Leaf Foods has been a long-time supporter of UNICEF’s work to provide children with emergency relief in times of crisis. Before COVID-19 around 135 million people across the world were suffering from extreme hunger, with under-nutrition taking a heavy toll on children’s health physical and cognitive development, and survival.* We were able to provide funding to support the purchase of some of the critical supplies (such as nutrition packs and therapeutic milk) that UNICEF needed to reach seven million children.

*Source: Global Report on Food Crises, 2020

Occupational Health and Safety

Occupational Health and Safety

Workplace health and safety is a top priority for Maple Leaf Foods. Our mandate for Occupational Health and Safety (OHS) remains clear – an aspirational goal of zero occupational injuries. We strive for zero occupational injuries in the workplace, a goal driven by our commitment to employee safety. Through our Safety Promise and continuous improvement in our safety protocols, in 2020 we realized a 92.3% improvement in our Total Recordable Incident Rate (TRIR) since our 2012 baseline reporting year. We had zero fatalities in 2020, a trend that has continued for over a decade.

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT

32 Maple Leaf Foods sites had zero lost-time injuries in 2020, and 23 of those sites are proud members of our Zero Hero Safety Club!

A Health, Safety, Security and Environment (HSSE) management system has been implemented across Maple Leaf Foods sites based on the Company's HSSE program, our OHS Policy and various standards put forth by corporate HSSE. The management system has been implemented to ensure compliance with local OHS acts and regulations. HSSE designates at each site are responsible for HSSE program management. All workers (part-time and full-time) at Maple Leaf Foods are covered by the HSSE management system. Continual improvement of the management system is achieved by each site's Safety and Health Accident Reduction Plan (SHARP) and includes a strengths, weaknesses, opportunities, threats (SWOT) analysis to help develop safety action plans for the next fiscal year.

Maple Leaf Foods has an HSSE maturity assessment that was originally developed in 2013 with an independent, third-party consultant to capture Occupational Health and Safety Assessment Series (OHSAS) 18001 requirements and to measure HSSE maturity and performance. This assessment has been updated and incorporates the Company's OHS strategy requirements. Annual assessments are conducted at our sites, including validation with the Regional HSSE Manager. The assessment determines the HSSE maturity level of each of our sites based on the Company's criteria and helps to establish an action plan to progressively achieve each HSSE maturity level and cultural safety over a five-level model.

Maple Leaf Foods laboratories are ISO/IEC 17025 accredited with Standards Council of Canada's Accreditation Program for Testing and Calibration Laboratories and are audited annually. In addition, Maple Leaf Foods laboratories have a license from the Public Health Agency of Canada and follow the Canadian Biosafety Standards, which requires specific procedures, audits, security and training.

We have an established governance structure to embed Occupational Health and Safety and Operational Risk Management across the Company, which includes regular direct reporting to the Safety and Sustainability Committee of the Board of Directors. Our Vice-President, Health, Safety,

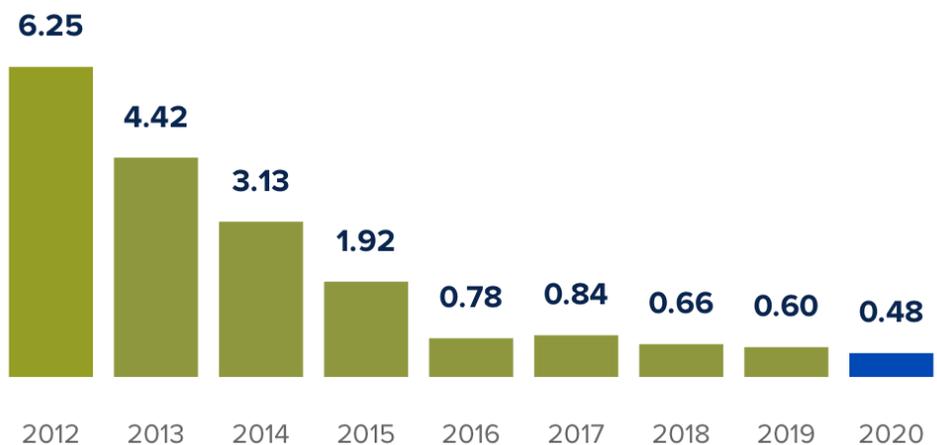
Security and Environment is supported by a Senior OHS Leadership Team who provide leadership across Maple Leaf Foods. This team is supported by an OHS designate at each work-site and representatives from the Joint OHS Committees who represent all the Company’s employees. These formal joint management–employee committees monitor and advise on OHS programs, identify potential hazards and recommend controls. The Joint OHS Committees ensure that our plants comply with all federal and provincial health and safety regulations.

Maple Leaf Foods promotes worker health and well-being. Employees have access to the Employee and Family Assistance Program (EFAP), insurance coverage of health care benefits, access to discounted gym memberships, and other external health services or activities. Maple Leaf Foods also launched a mental health initiative to stop the stigma associated with mental health challenges. To learn more about our mental health initiative, [click here](#).

In response to COVID-19, a medical team and COVID-19 crisis team were formed to develop and implement a COVID-19 pandemic plan. The Senior HSSE Leadership Team, two registered nurses and the Company’s medical consultant formed the medical team, and our Senior Leadership Team, HSSE team, Labour Relations & Human Resources, Communications team and others formed our COVID-19 crisis team. All Maple Leaf Foods sites had taken immediate steps to develop continuity plans that:

- protect our people;
- protect our business and minimize disruptions;
- protect our community and help prevent negative impacts on customers, consumers and the economy.

Total Recordable Incident Rates (2012–2020)



Our TRIR improved by 92.3% in 2020 compared to our 2012 baseline reporting year

HAZARD IDENTIFICATION, RISK ASSESSMENT, AND INCIDENT INVESTIGATION

Work-related hazards are identified by inspections conducted by workers and supervisors/managers and monthly Joint OHS Committee inspections. Preventative maintenance programs, hazard reporting programs, incident investigations (including weekly reviews with supervisors, managers and/or Joint OHS Committees), task observations, job safety analyses, new equipment assessments, and physical demands descriptions are other processes that assess risks. These processes help to ensure that hazards are identified before an incident occurs. Maple Leaf Foods ensures the quality of these processes and competency of persons who carry them out by providing appropriate training on incident investigation, hazard identification, risk assessment, and other Maple Leaf Foods standards and standard operating procedures. Workers are encouraged to report hazards without any reprisals. Workers are protected by Maple Leaf Foods' Values, human resources policies, Collective Bargaining Agreement and union processes, and existing legislation.

Maple Leaf Foods has an incident investigation standard that all sites must adhere to in the investigating of all incidents within 24 hours. The workers fill out hazard report forms and report incidents to their direct or immediate supervisor. The worker involved, supervisor and site safety representative participate in the investigation. Recommendations are recorded and work orders are prepared and completed. If the risk/hazards cannot be mitigated right away or there is no temporary solutions, this will trigger a report to the provincial Ministry of Labour for an inspector to visit and investigate for a solution until the issue is resolved.

TRAINING AND COMMUNICATION

Worker training on occupational health and safety is crucial to ensure employees understand the risks and hazards that could occur on the job and how to handle them. New employees received safety orientation on Maple Leaf Foods' standards, site's standard operating procedures, safety rules, safe work procedures, emergency response procedures, task observations and several topic-specific training. Ongoing skills development and training are essential to reinforce the importance of workplace safety and procedures to keep people safe. Our supervisors receive training related to recognizing, assessing and controlling hazards, roles and responsibilities of supervisors, forklift safety, chemical safety and other related topics.

Beyond formal training, there are several procedures in place to encourage worker participation, consultation and communication on occupation health and safety. Joint OHS Committees, monthly safety talks/training, daily meetings, safety communication boards, OHS activities (e.g., safeguarding projects, ergonomics, informal site tours) and OHS feedback are all part of the process for worker engagement and used to evaluate the HSSE program.

In 2020, town hall meetings (e.g., virtual or multiple sessions with less attendees to allow for physical distancing) were held to provide information and education on COVID-19.

OUR SAFETY PROMISE

Our goal is to always provide consumers safe, great tasting food produced in a safe work environment.

- We commit to becoming a global leader in food safety and job safety, and providing the focus and resources needed to achieve this goal.
- We commit to establishing a culture of food safety and workplace safety with high-performance teams, where people are encouraged and expected to act on any concern they may have.
- We commit to measuring our safety performance with testing and benchmarking against globally recognized standards.
- We commit to continuously seeking better ways to make safe food, and to make it safely.
- We commit to openly sharing our knowledge with government, industry and consumers, so we can learn from them and they can learn from us.
- We commit to transparency and candour in pursuit of better performance and public confidence.
- We commit to behaving in the most responsible and transparent way possible, placing the safety of our people and our consumers first if there is ever a breach.

This is our Safety Promise.

Michael H. McCain
President and Chief Executive Officer

[View our Safety Promise here.](#)

Our goal is to always provide consumers safe, great tasting food produced in a safe work environment.

OUR OCCUPATIONAL HEALTH AND SAFETY STRATEGY

Improved OHS Communication
Proactive Activities that Drive Performance
Roles and Responsibilities that Embrace Accountability
Implementation and Training
Integrated Safety Promise

Maple Leaf Foods' OHS Strategy	
Analyzing losses	<ul style="list-style-type: none"> • Identification of common incidents and trends • Top losses are identified through incident tracking (after incident occurs), including incidents that are high in severity and frequency
Analyzing risks	<ul style="list-style-type: none"> • Utilization of risk assessment to mitigate risk • Top risks are identified by measuring compliance with Maple Leaf Foods' HSSE Standards, utilizing the OHS Compliance Scorecard and other risk assessment tools (i.e., measuring OHS systems)
Measuring culture	<ul style="list-style-type: none"> • The employee OHS Perception Survey enables all sites to measure the growth of their safety culture • Sustainable actions and areas of improvement are identified within the cultural drivers of the site's HSSE program

Metrics	
Leading OHS indicators	<ul style="list-style-type: none"> • Compliance Scorecard • Perception Survey • Supervisory Scorecard/Vitals • Training
Lagging OHS indicators	<ul style="list-style-type: none"> • Total Recordable Incident Rate (TRIR) • Days Away, Restricted or Transferred (DART) Rate • Workers' Compensation Board Claims

BEHAVIOURAL-BASED SAFETY

Our Behavioural-Based Safety (BBS) program assists in the identification of opportunities for improvement through behavioural trend analysis (with transparent data) of safe and unsafe behaviours.

Corrective actions are taken to correct any unsafe behaviours and recognition is provided to the employee who identified the unsafe behaviour to be corrected.

Over the years, we have developed behaviour observation tools for our sites to utilize as well as a behaviour tracking tool.

ZERO HERO SAFETY CLUB AND SAFETY RECOGNITION PROMISE PROGRAM

The Maple Leaf Foods “Zero Hero Safety Club” is an internal campaign to drive and support the OHS program in order to realize the aspirational achievement of zero occupational injuries.

Our facilities become members of the “Zero Hero Safety Club” when they achieve zero occupational injuries and meet other criteria.

The Safety Promise Awards program is an internal recognition program that recognizes a Maple Leaf Foods site with the best overall performance and/or the most improved performance from a Food Safety and OHS perspective.

In 2020, we had 32 sites that had zero workplace injuries, and 23 of those sites are proud members of the Zero Hero Safety Club!

OCCUPATIONAL HEALTH AND SAFETY GOLDEN RULES

Our “OHS Golden Rules” provide a consistent and standardized deployment of critical examples of behaviour that may pose the risk of injury, damage and even death.

The six core rules highlighted are intended to be a framework that supports our current OHS policy, standards, procedures and processes across Maple Leaf Foods facilities. Given the severity of risk inherent in the behaviours illustrated, such actions may result in termination of employment, even if it is the employee’s first offence.

OHS GOLDEN RULES

1. Violation of lock-out/tag-out
2. Bypassing or disabling machine guarding or safety interlock devices
3. Violation of confined space procedure
4. Violation of fall protection procedure
5. Violation of hot work procedure
6. Unauthorized/unsafe use of powered material handling equipment

Our Workplace Safety and Food Safety Awards

Each year, we recognize individuals and locations for their outstanding workplace safety record in our annual "Safety Awards."

The Safety Promise Awards program is an internal recognition program that recognizes a Maple Leaf Foods site with the best overall performance and/or the most improved performance from a Food Safety and OHS perspective.

The Safety Excellence Award recognizes Maple Leaf Foods sites that do not have the Food Safety component and have modelled leadership in OHS and have gone beyond what is asked of them to make significant positive contributions to our Company.

The Safety Distinction Award recognizes Maple Leaf Foods sites that have modelled consistent top safety commitment in the OHS arena over the past five years with a TRIR of 0.00, or have demonstrated OHS commitment and achieved significant improvement over the past five years.

Diversity and Inclusion

Diversity and Inclusion

We are committed to creating a workplace environment where everyone feels like they belong, and we believe in the benefits a diverse and inclusive workplace environment brings. To us, championing diversity and inclusion is a critical component to advancing our collective purpose and vision, living the Maple Leaf values and delivering winning results.

Women represented 38% of managers and above, up from 36% when we set our goal in 2017.

“I care deeply about Maple Leaf Foods and our people. I envision a workplace where everyone can thrive, where our individuality is valued and celebrated. I invite everyone to explore what diversity and inclusion mean to you, and how you can foster a workplace of inclusivity.”

– Curtis Frank, COO, Maple Leaf Foods

OUR BLUEPRINT TO ADVANCE DIVERSITY, INCLUSION AND BELONGING

At Maple Leaf Foods, we are guided by our Leadership Values. We believe in building, investing in, recognizing and rewarding teams of remarkable people who value an inclusive workplace, embrace all forms of diversity and commit to include every voice in a highly collaborative environment, while always making timely decisions.

Our Values also compel us to confront hard truths. While we have a history of championing gender equality, we are not where we want or need to be in living this cultural commitment. And, in the wake of difficult but important conversations we have been having about racism, injustice, diversity and inclusion, we recognize we must do more to advance and accelerate equity and inclusion for all people, across our organization.

Change begins with awareness – but deliberate focus and action drives change.

Our comprehensive Diversity & Inclusion Blueprint defines how we will address systemic and cultural barriers to create an environment where all people feel valued for the uniqueness they bring and feel heard, represented and that they belong, where everyone has equal opportunity to thrive.

Four strategic pillars form the foundation of our comprehensive approach:

- *Drive Accountability to Represent the Communities We Serve:* Educate and empower people leaders to set measurable goals, and champion and realize our company-wide commitments and goals.

- *Align Our People Practices to Our Values:* Audit, evaluate and embed diversity awareness and inclusive practices into people programs and policies to mitigate bias and make talent practices fair, equitable and reflective of our Values.
- *Facilitate Deep Listening and Nurture Curiosity:* Enable people to convene, learn, share and elevate desired action. Foster curiosity and encourage people to listen and understand.
- *Foster Cultural Change that Creates Broad Engagement:* Build awareness and understanding around the spectrum of individual and organizational behaviours that reinforce cultural outcomes to motivate personal change commitments.

MAKING MAPLE LEAF FOODS A MORE GENDER-BALANCED BUSINESS

Aligned with our Diversity & Inclusion Blueprint, we’ve introduced a series of programs, policies and partnerships to support women at Maple Leaf and break down barriers to their inclusion and advancement. And we’ve seen improvements: women account for 32% of directors (6% increase from 2017) and 28% of senior leaders (8% increase from 2017). However, the representation of women at the manager level remains largely unchanged since 2017, primarily driven by unique structural challenges in certain areas within our business.

To address the challenges identified, we are taking a multi-pronged approach that’s informed by data. A task force comprised of business leaders across the company is leading the development and execution of a targeted action plan by delving deeper into data to refine our strategies to attract, develop and retain women in these historically men-dominated functions. Concurrently, all business leaders will continue to communicate and implement their D&I Action Plans, aligned with and supported by the Diversity & Inclusion Blueprint and multi-year strategy.

EMPLOYEE RESOURCE GROUPS

Our Employee Resource Groups (ERGs) are instrumental in helping foster and sustain a culture of belonging. They reflect our diverse and inclusive workplace.

Employee Resource Group	About
	<p>The Multi-Cultural Advocacy Network (Multi-CAN) aims to share knowledge, promote cultural fluency and celebrate the strength of our collective differences to support an inclusive environment.</p>
	<p>Maple Leaf Pride & Allies creates a safe environment for LGBTQ+ individuals and allies. This ERG encourages everyone to be fully authentic in the workplace through visibility, education and advocacy.</p>

Employee Resource Group	About
	<p>The Women's Impact Network is committed to advancing gender equality by creating meaningful connections so that all talent thrives at Maple Leaf Foods.</p>
	<p>Women in Manufacturing is dedicated to attracting, engaging and advancing women in manufacturing, closing the gender gap at Maple Leaf Foods' plants, and unleashing the full potential of our talent.</p>

MENTAL HEALTH AND WELL-BEING

Mental health is a growing concern across all segments of society, and its pervasiveness is so great that in any given year, one in five Canadians will personally experience a mental health problem or illness. The impact reaches across families, amongst friends and communities. Maple Leaf Foods has started the You Are Not Alone! Initiative to develop a culture that stops the stigma associated with mental health challenges.

To learn more about our mental health initiative, [click here](#).

In 2020, we achieved a 13-point increase on the 2020 People Survey question pertaining to mental well-being support: 65% in 2019 (baseline) increased to 78% in 2020. We expanded the portfolio of mental health supports to include live and self-paced virtual therapy. As well, 88% of all people leaders completed formal mental health training.

We are extremely proud that our mental health initiative, “You Are Not Alone,” launched before the COVID-19 pandemic, because it helped us react quickly to further support the mental well-being of our people throughout the pandemic. We offered digital therapy tailored to address anxiety, depression, post-traumatic stress, panic and insomnia, among others. Our virtual Healthy Minds Speaker Series is a key component of the program, bringing in experts such as clinic psychologists and wellness coaches to discuss and provide tools on a variety of mental health and well-being topics. We also commenced virtual Move and Smile classes on a weekly basis with professional instructors to encourage healthy minds and physical movement.

OUR GUIDING PRINCIPLES

- Actively build a workforce as diverse as the countries we are proud to serve
- Enable top performance by removing barriers, so talented people can exert their energy on doing great work, leveraging our differences
- Learn from each other's unique experiences and perspectives, in a culture of openness and inclusion
- Create food that meets the diverse needs of the world we live in

In 2020, 88% of all people leaders completed formal mental health training.

INVESTING IN OUR DEVELOPMENT

Given the impact of COVID-19 and the growing discourse and societal unrest around racism and injustice, our focus turned to providing support to our people in initiating and navigating conversations about race and racism, and in highlighting our role in bringing about positive, lasting change.

We invested in our collective development, signaling a deep commitment to our people and our culture. All salaried team members participated in Maple Leaf Values communications and training, which included our commitment to building a diverse and inclusive team, antiracism training focused on how to be an upstander and an antiracist, and unconscious bias training focused on managing bias when evaluating talent.

Our Diversity Stories

Maple Leaf Foods' people celebrating our cultural diversity in our communities and across our facilities. Click on the photos to read our stories.

VIRTUAL PRIDE CELEBRATIONS

This year, Maple Leaf Foods continued the Pride celebrations by holding a "Virtual Flag Raising" ceremony to show our continued support for the LGBTQ+ communities. Going virtual also meant getting creative with a virtual drag lunch, unique virtual meeting backgrounds and virtual ally cards. The support continued, as the very first flag to fly at our Maple Leaf Agri-Farms facilities was the Pride flag, which aligned to Manitoba's provincial Pride celebrations.

Maple Leaf Foods and our Pride & Allies team highlighted a number of Maple Leaf Foods LGBTQ+ employees, individuals and allies. A cross-section of our people at all levels was spotlighted to share their stories.

Maple Leaf Foods and Prides & Allies hosted several virtual events dedicated to LGBTQ+ individuals and allies.

CELEBRATING WOMEN

Our WIN employee resource group continues to advance gender equality by creating meaningful connections so that all talent thrives at Maple Leaf Foods. Our WIN group merged with our Women in Manufacturing group to share the same commitment to advance gender equality in our offices and plants. This included the establishment of a WIN Council to support the growing employee resource group and programming.

Early in the year, WIN hosted an internal panel to share and discuss work-life integration facilitated by Suzanne Hathaway, Senior-Vice President, General Counsel & Corporate Secretary at Maple Leaf Foods. Due to the COVID-19 pandemic, the International Women's Day celebrations were cut short; however, messaging and stories were still shared within the virtual context. Many employees joined in the events to challenge stereotypes, fight bias, broaden perceptions, engage in meaningful discussions and celebrate women's achievements. A highlight of the celebrations was hosting keynote speaker Riya Karumanchi, a teen tech leader and social change agent who shared her journey as a young founder and CEO of SmartCane, a two-time TEDx speaker, one of Teen Vogue's Top 21 Under 21 Disruptor and much more.

One of the most unique and highly attended events hosted by WIN was "The Glass Ceiling No One Talks About: Menopause," led by a trained pharmacist and menopause expert. Many women, as well as their peers and loved ones, are largely uninformed of what to expect during menopause. As a result, women are often left to navigate the challenges of menopause alone, with 1 in 4 considering leaving their jobs in the face of the physical, cognitive and emotional changes that take place.

Maple Leaf Foods, Women's Impact Network and Women in Manufacturing hosted a virtual celebration dedicated to gender equality and empowerment.

CULTURAL DIVERSITY

Our MultiCAN team introduced "Let's Talk About Race" virtual sessions held on a monthly basis for all Maple Leaf Foods' employees to share their experiences and have conversations about race, racism and racial justice. It provides an inclusive, nonjudgmental space to explore racism, consider how it shows up in real life and learn how to take action against it. These sessions provide tools and guidance to empower and educate employees and inspire meaningful discussion and action.

The Multicultural Advocacy Network (Multi-CAN) hosted a growing series of virtual events, with hundreds of employees, dedicated to supporting and celebrating cultural diversity.

Leadership

Leadership

HOW WE DEVELOP OUR PEOPLE

Rooted in our core Maple Leaf Leadership Values, our intense curiosity leads us to constant learning and growth

At Maple Leaf Foods, we have a Leadership Edge commitment, culture and expectation. We strive to be leading edge in how we engage, develop and provide a safe working environment for our people. It is a culture that enables people to thrive, succeed and reach their full potential – to take a stand, pursue excellence and create the future.

To that end, we have various programs in place to provide our people with career development opportunities, such as self-directed learning, training, coaching, and recognition and rewards.

THE LEADERSHIP TRACK PROGRAM FOR NEW GRADUATES

Established in 1998, The Leadership Track Graduate Program (LT Program) exists to seed the organization with high-potential and purpose-driven individuals to develop them into future Maple Leaf Foods leaders by creating a clear path of advancement through diverse, cross-function/business rotations, on-the-job training, focused leadership development and strong mentoring support. Our 2020 program had 30 active participants who were completing 12-month rotations in three key areas: client- or market-facing, operations and a business support role. After three years, successful participants graduate into dynamic leadership roles at Maple Leaf Foods.

Our aim is to achieve a 95% retention rate of top talent. In 2020, we achieved a retention rate of 96%.



Better Planet

Overview

Goals

- Reduce our environmental footprint by 50% by 2025 (2014 baseline)
- Execute on our science-based targets (SBTs): 30% absolute reduction for Scope 1 & 2 emissions and 30% intensity reduction (per 1,000 kg of product produced) for Scope 3 emissions (2018 baseline)
- Reduce food waste arising from our operations by 50% by 2025 (2016 baseline)
- Execute on our sustainable packaging strategy and work with fellow Canada Plastics Pact signatories to collectively achieve clear and actionable packaging reduction targets by 2025
- Implement our current supplier code and broader sourcing strategy
- Continue utilizing intermodal transportation for >85.5% of our cross-country resupply

2020 Highlights

- Celebrated one year as the first major food company in the world to be carbon neutral
- Began developing our carbon reduction plans to achieve our SBTs approved by the Science Based Targets initiative
- We have reduced the intensity of our environmental footprint by: 25.9% for electricity; 19.5% for natural Gas; 21.6% for water (2014 baseline); 12.1% for solid waste (2015 baseline); and 30.9% for food loss waste (2016 baseline)
- Finalized our sustainable packaging strategy and became a founding signatory of Canada Plastics Pact
- Achieved 98% landfill diversion certification at our New Hamburg Hatchery in Ontario
- Intermodal transportation accounted for 88% of our cross-country resupply

At Maple Leaf Foods, leading in sustainability is not only one of our core strategies, but it also represents an enterprise-wide view that encompasses every aspect of our business.

We have an aggressive goal of reducing the intensity of our environmental footprint by 50% by 2025, and approved SBTs to reduce our absolute Scope 1 and 2 emissions and the intensity of our Scope 3 emissions by 30% by 2030.

We operate within the framework of an environmental policy entitled “Our Environmental Sustainability Commitment” that has been approved by the Board of Directors’ Safety and Sustainability Committee and guides our day-to-day practices. The Company’s environmental program is monitored on a regular basis by the Committee, including compliance with regulatory requirements and the use of internal environmental specialists and independent, external environmental experts. The Company continues to invest in environmental infrastructure related to energy, water, waste and air emissions to ensure

that environmental standards continue to be met or exceeded, while implementing procedures to reduce the environmental impact of operations.

Our responsibility for environmental sustainability goes well beyond our own operations; we must also advocate and share knowledge that elevates practices and regulations across the industry. We will actively engage with consumers, customers, non-governmental organizations and other stakeholders so that change can be based on sound data and science, and what society expects of us. As Maple Leaf Foods is a large food company, there are health, environmental and social issues that go beyond short-term profitability that management believes must shape its business if the Company is to realize a sustainable future. Increasingly, sound environmental sustainability practices are becoming a key component of maintaining a competitive advantage.

One of the greatest challenges for the food system is to meet the increasing global demand for food while dramatically decreasing the environmental footprint of food production, as agriculture accounts for approximately 23% of total greenhouse gas emissions.*

*** Intergovernmental Panel on Climate Change (IPCC), 2020; Climate Change and Land.**

REDUCING OUR ENVIRONMENTAL FOOTPRINT

Today's food system includes everything involved in feeding people and animals, including all steps in the food supply chain, from growing and harvesting to processing, trading, marketing, distribution, consumption and disposal. A healthy food system is one with inclusive outcomes for healthy people and a healthy planet, and of course, healthy businesses. One of the greatest challenges for the food system is to meet the increasing global demand for food while dramatically decreasing the environmental footprint of food production, as agriculture accounts for approximately 23% of total greenhouse gas emissions*. Livestock is the world's largest user of land resources, with pasture and land dedicated to the production of feed representing almost 70% of total agricultural land*. Agriculture also uses approximately one-third of the world's fresh water.

We have big, bold goals to reduce our environmental footprint by 50% by 2025. Our bold intensity (per metric tonne of production) goals are driven by the passion of our people to reduce our impact on the environment and contribute to the sustainable growth of our business.

We have made significant progress in reducing our environmental footprint:

Total Energy Intensity

19.8% reduction

Electricity Intensity

25.9% reduction

Natural Gas Intensity

19.5% reduction

Water Intensity

21.6% reduction

Solid Waste Reduction Intensity

12.1% reduction

91.6% landfill diversion rate

Food Loss Waste Intensity Reduction

30.9% reduction

SBT Scope 1 & 2 Emissions Absolute Reduction

1.77% reduction (CO₂e)

SBT Scope 3 Emissions Intensity Reduction

0.88% reduction (CO₂e)

Note: Performance measured from 2014 baseline with the exception of solid waste, which is a 2015 baseline, food loss waste, which has a baseline of 2016, and SBTs (Scope 1, 2 and 3), which are a 2018 baseline.

2020 Performance Summary Tableⁱ

A detailed summary of our energy, water, food waste and solid waste usage, as well as our greenhouse gas (GHG) emissions for 2020, can be found in our environmental footprint performance summary represented in the table below:

Consumption¹

Parameter	2020	2019	2018	2017	2016	2015	2014
Total Energy (MWh) ¹	1,062,219	1,082,130	1,094,680	1,087,052	1,057,909	1,097,444	1,182,620
Direct Energy – Natural Gas (m ³) ²	60,275,214	62,697,908	63,579,417	61,208,054	58,813,276	61,407,746	66,703,826
Indirect Energy – Electricity (MWh) ³	385,404	377,172	387,807	400,350	405,009	418,567	464,057
Water (m ³) ⁴	8,874,482	8,689,166	9,032,574	9,099,616	9,048,788	9,424,971	10,076,842
Food Loss Waste (MT) ¹⁰	20,556	20,656	22,458	24,287	28,472	–	–
Solid Waste (MT) ⁷	250,208	275,726	246,759	250,271	257,543	263,086	–
Landfill Diversion Rate (%) ⁸	91.64%	92.38%	91.17%	92.97%	92.01%	91.54%	–

Intensity⁹

Parameter	2020	2019	2018	2017	2016	2015	2014
Total Energy (MWh) ¹	1.49	1.64	1.65	1.59	1.55	1.65	1.87
Direct Energy – Natural Gas (m ³) ²	84.76	95.04	95.85	89.58	86.36	92.29	105.32
Indirect Energy – Electricity (MWh) ³	0.54	0.57	0.58	0.59	0.59	0.63	0.73
Water (m ³) ⁴	12.48	13.17	13.62	13.32	13.29	14.16	15.91
Food Loss Waste (MT) ¹⁰	28.91	31.31	33.86	35.55	41.81	–	–
Solid Waste (MT) ⁷	29.41	31.87	32.85	25.75	30.21	33.45	–
Landfill Diversion Rate (%) ⁸	–	–	–	–	–	–	–

50% x 2025 Footprint Intensity Reduction

Parameter	50% x 2025 target	Intensity reduction	% Reduction	Units
Total Energy (MWh) ¹	0.93	0.37	19.8	MWh/1,000 kg
Direct Energy – Natural Gas (m ³) ²	52.66	20.56	19.5	m ³ /1,000 kg
Indirect Energy – Electricity (MWh) ³	0.37	0.19	25.9	MWh/1,000 kg
Water (m ³) ⁴	7.96	3.43	21.6	m ³ /1,000 kg
Food Loss Waste (MT)	20.90	12.90	30.9	MT/1,000 kg
Solid Waste (MT) ⁷	16.73	4.05	12.1	MT/1,000 kg
Landfill Diversion Rate (%) ⁸	–	–	–	–

Consumption¹

Parameter	2020	2019	2018
Scope 1 & 2 CO ₂ e (tonnes) ⁵	333,087	332,269	339,048
Scope 1 CO ₂ e (tonnes) ⁵	302,413	303,199	310,556
Scope 2 CO ₂ e (tonnes) ⁵	30,674	29,070	28,528

Intensity⁹

Parameter	2020	2019	2018
Scope 1 & 2 CO ₂ e (tonnes) ⁵	0.22	0.24	0.24
Scope 1 CO ₂ e (tonnes) ⁵	0.20	0.22	0.22
Scope 2 CO ₂ e (tonnes) ⁵	0.02	0.02	0.02

30% x 2030 SBTs Absolute Reduction

Parameter	30% x 2030 target	Absolute Reduction	% Reduction	Units
Scope 1 & 2 CO ₂ e (tonnes) ^{5,6}	101,725	5,997	1.77	CO ₂ e (tonnes) ^{5,6}
Scope 1 CO ₂ e (tonnes) ^{5,6}	93,167	8,143	2.62	CO ₂ e (tonnes) ^{5,6}
Scope 2 CO ₂ e (tonnes) ^{5,6}	8,558	-2,146	(7.52)	CO ₂ e (tonnes) ^{5,6}

Consumption¹

Parameter	2020	2019	2018
Scope 3 CO ₂ e (tonnes) ⁵	1,526,145*	1,488,143	1,463,325

Intensity⁹

Parameter	2020	2019	2018
Scope 3 CO ₂ e (tonnes) ⁵	1.01	1.07	1.02

30% x 2030 SBTs Intensity Reduction

Parameter	30% x 2030 target	Absolute Reduction	% Reduction	Units
Scope 3 CO ₂ e (tonnes) ⁵	0.31	0.01	0.88	CO ₂ e (tonnes) ⁵

Footnotes

i. Our performance is reported consistent with our report boundary. In 2020, we have reported on entities over which Maple Leaf Foods has operational control – our processing and manufacturing facilities, distribution facilities and offices (both leased and owned buildings); and farms, barns and feed mill operations (unless otherwise indicated). In 2020, we restated our GHG emissions back to our baseline year (2018) due to improved availability of data and applied the GHG Protocol's updated emissions factors to our 2020 GHG emissions. We changed our solid waste and landfill diversion methodology and restated our solid waste performance and landfill diversion rate back to our baseline year (2015).

* This performance indicator is within the scope of the limited assurance report.

1. Consumption: Electricity, natural gas, water, solid waste and GHG emissions (Scope 1 & 2). Energy, water consumption, solid waste and GHG emissions reflect actual usage/emissions.
2. Direct energy: Direct energy represents the consumption of natural gas and is recorded on an as-billed basis for the calendar year.

3. Indirect energy: Indirect energy represents the consumption of purchased electricity and is recorded on an as-billed basis for the calendar year.
4. Water: Water consumption is recorded on an as-billed basis for the calendar year.
5. Greenhouse gas (GHG) emissions: GHG emissions are measured in units of tonnes of carbon dioxide equivalent (CO₂e). Scope 1 sources include natural gas, propane, our corporate car business travel, Maple Leaf Foods-owned trucks and shunt trucks, animal emissions and manure management, renewable natural gas, and CO₂ used in process and refrigerants. Scope 2 sources include electricity and green power. Scope 3 includes purchased goods and services, fuel-and-energy-related activities (not included in Scope 1 or 2), upstream transportation and distribution, waste generated in operations, business travel, employee commuting, upstream leased assets, downstream transportation and distribution, processing of sold products, and use of sold products. For our carbon neutral claim, we offset 100% of Scope 1 & 2 emissions and 5% of our Scope 3 emissions. Procurement of verified emissions reductions (VERs): 380,792 tCO₂e and Renewable Energy Certificates (RECs): 43,436 MWh.
 - Scope 1 emissions are calculated using activity data (e.g. fuel consumption data from meters, average annual production by various livestock types, purchased records from suppliers) multiplied by a calculated emission factor from the 2006 Intergovernmental Panel on Climate Change Guidelines for National Greenhouse Gas Inventories or applicable regulated default emission factors.
 - Scope 2 emissions are calculated using current average U.S. Environmental Protection Agency's Emissions & Generation Resource Integrated Database (eGRID) factors (for U.S. facilities) and Environment and Climate Change Canada's National Inventory Report (NIR) factors (for Canadian facilities).
 - Scope 3 emissions are calculated from the following activity data: feed, ingredients and packaging expenditures multiplied by emission intensity based on the 2007 Producer Price Model published by the Green Design Institute of Carnegie Mellon University; third-party contracted grower by prorating Maple Leaf Foods' reported emissions in proportion to the relative production of Maple Leaf Foods and the third-party grower; lifecycle analysis by the Chicken Farmers of Canada; flight records and freight by leveraging data tracked by SAP and applied emission factors by Climate Leaders Greenhouse Gas Inventory Protocol Core Module Guidance; and fuel and energy usage by accounting for well-to-tank emissions associated with extraction, refining and transportation, transmission and distribution.
6. Location-based emissions according to the GHG Protocol Scope 2 Guidance. Scope 2 emissions calculated using the market-based method: 8,230 tCO₂e.
7. Solid waste: Solid waste represents the amount of waste recycled and disposed at landfill (MT) on an as-billed basis for the calendar year. Waste intensity: Represents the amount of waste recycled and disposed at landfill (kg) per 1,000 kg of production. Solid waste performance is established by landfill diversion reports and invoices provided by our waste management vendors. 2015 is our baseline year for waste diversion. Note: In 2020, we were informed by our rendering vendor that a percentage of our rendering is sent to landfill. We are currently investigating and assessing its impact.
8. Landfill diversion rate (%): Represents the amount of waste diverted from our operations away from landfill. Landfill diversion rate: Total recycling divided by solid waste.
9. Intensity: Represents the individual performance measure per 1,000 kg of production (finished product). To avoid double counting, finished product does not include product volumes sold between Maple Leaf Foods business groups. Production: 711,100 metric tonnes of finished goods produced.
10. Food loss waste: Represents data collected through SAP, vendor invoices and diversion reports using the Food Loss and Waste Accounting and Reporting Standard. Data includes all food produced for North American consumption. 2016 is our baseline line year for food loss waste.

ENVIRONMENTAL FOOTPRINT PERFORMANCE SUMMARY

Since 2014, we have been progressing toward our environmental footprint reduction targets. We have achieved steady reductions on all our environmental performance measures, resulting from third-party utility audits we implemented at each facility, and the development and implementation of environmental sustainability action plans that were created for each of our facilities.

During 2020, we had to pause the execution of some of our environmental footprint reduction initiatives due to COVID-19 but we were able to complete a few re-audits of our facilities to update their environmental sustainability action plans and work with local partners on conservation programs. For example, our partnership with Enbridge/Union Gas at our Heritage facility continues to yield significant results, including steam energy efficiency upgrade projects that resulted in approximately 1,330,173 m³ of natural gas savings, 5,206 m³ of water savings and 2,525 tCO₂e reduction in GHG emissions. Despite COVID-19 impacts, we continued to make progress and achieved our 20% reduction by 2020 goals for electricity and water intensity! Our natural gas intensity also improved by 9.7% in 2020, bringing our total reduction to 19.5% from a 2014 baseline. We also achieved a company-wide landfill diversion rate of over 91%.

We also began measuring our solid waste by using diversion reports and invoices provided by our waste management vendors instead of using the findings from our annual solid waste audits. This change in methodology resulted in a reduction of only 12.1% in our solid waste intensity from our 2015 baseline compared to our previously stated performance. Our new process is a more accurate reflection of our performance and will provide us with greater visibility into how much work needs to be done to reach our goals and better identify areas for improvement. We are very proud of our New Hamburg Hatchery facility for achieving a 98% landfill diversion rate and the Company's first third-party landfill diversion certification through GreenCircle Certified LLC.

While we achieved most of our 2020 interim reduction targets, we recognize that we need to significantly ramp up our efforts to achieve our 50% by 2025 goals. Since we are at the halfway point of reaching our goal, we will improve our approach by developing comprehensive reduction roadmaps to 2025 for all our environmental footprint measures to step-change our annual performance. We will also be implementing an energy coach pilot program at our highest impact facility. However, achieving our environmental footprint reduction goals is not going to happen by only focusing on energy efficiency projects. We understand that new technologies and innovation will be critical components for success and have therefore begun work on two transformational strategies. While not a new technology, we see anaerobic digestion as a scalable solution to reduce GHG emissions arising from our operations, while at the same time developing renewable bio-gas to replace current fossil fuel consumption. We are also investing in the emerging field of regenerative agriculture to reduce environmental impacts in our supply chain. We recently announced partnerships with Indigo Ag, and Nutrien, to reward grain farmers in our animal feed supply chain who adopt regenerative agriculture practices and increase soil carbon sequestration on their farms.

All our environmental reduction roadmaps and new strategies will closely align to our current GHG emissions decarbonization initiatives in order to achieve our SBTs. We are excited about these opportunities for continued environmental footprint reduction for our Company.

ENVIRONMENTAL MANAGEMENT SYSTEM

As part of our Health, Safety, Security and Environment (HSSE) program and in line with our Environmental Sustainability Commitment, Maple Leaf Foods has an environmental management system (EMS) in place at each of our facilities using the same methods as ISO 14001. Regulatory compliance is assessed at each of our operations, progress is tracked and action plans are created to continuously improve our performance.

We have developed several tools to assess compliance, create action plans and track progress. Each facility's environmental designate reviews an Environmental Aspect Identification and Prioritization tool to gain a full understanding of the site-specific environmental risks. Twice annually our corporate environmental compliance lead reviews an environmental self-assessment and compliance scorecard with each site. These give each site an overall score and produce an action plan to improve their score.

The self-assessment is focused on the following seven key areas: Policy and Planning; Roles, Responsibilities and Training; Regulatory Awareness; Site Environmental Aspects; Spills and Emergency Response; Complaint Management; and Documentation and Record Keeping.

The scorecard tracks regulatory compliance performance and is focused on the following four key areas: Regulatory Requirements; Environmental Incidents; Evaluation and Risk Assessment; and Continuous Improvement and Training.

Our corporate environmental lead also completes an annual review of each site's emissions to air, land and water to ensure the sites remain in compliance with regulations. In addition, each site performs an annual internal review, in which the site must verify compliance and knowledge of regulatory requirements by reviewing permits, approvals and licenses, and identify roles and responsibilities for the record in an audit-like setting. This robust EMS ensures that we are in compliance with all applicable laws and regulations.

ENVIRONMENTAL SUSTAINABILITY ACTION PLANS

Our utility auditing and action plan development process has identified many common energy, water and waste reduction opportunities that we have classified as a priority due to their high return on investment and positive impact on reducing our environmental footprint. The chart here provides a breakdown of the types of opportunities that were identified as part of the utility audits conducted from 2015 to 2020, as well as several food loss waste audits since 2018.

An action plan tracker to measure how each plant is progressing in meeting reduction targets is also utilized and updated quarterly.

We are actively working on energy, water and solid waste projects that were prioritized using an effort–impact matrix. The key determinants used in this exercise included implementation of capital, timing and human resource requirements concerning effort. Savings generated, the number of utilities impacted and greenhouse gas reduction are the criteria used to score impact.

Our utility auditing and action plan development process has identified many common energy, water and waste reduction opportunities that we have classified as a priority due to their high return on investment and positive impact on reducing our environmental footprint. These include LED lighting retrofits, equipment upgrades, heat recovery projects, water reuse opportunities, organics diversion from landfill and other similar projects.

We are also continually investigating and piloting innovative initiatives such as battery storage technology, thermal heat recovery on our ammonia systems, geothermal heating and cooling, and water reuse opportunities at our plants.

Overall, our auditing and action plan program has improved the quality of our environmental data and enhanced our understanding of our performance, cost savings and footprint reduction opportunities.

32% Electricity
31% Water
22% Natural Gas
6% Wastewater
6% FLW
2% CI/OES
1% Solid Waste

Our Stories

AMMONIA HEAT RECOVERY

In 2020, our Heritage Hamilton plant installed an Ammonia Heat Recovery System that resulted in over 850,000 m³ of natural gas saved and over 1,500 tonnes of CO₂e eliminated. Ammonia heat pumps convert the waste heat from refrigeration into useable high-temperature heat, rather than exhausting it to the atmosphere through evaporative condensers. Overall, our Heritage plant reduced its natural gas intensity by 20% from 2019.

HIGH EFFICIENCY WATER HEATER

In 2020, our Lethbridge plant replaced its old steam heated water tank that only ran on approximately 50% efficiency to a direct contact water heater that has a 99% efficiency rate. This has contributed to a 162,998 m³ savings in natural gas. Overall, our Lethbridge plant has reduced its natural gas intensity by 11.4% from 2019.

RECYCLING ELECTRONICS

The electronic waste recycling program has been in place for many years at Maple Leaf Foods.

We have partnered with TechReset to recycle all our used electronics. TechReset has a zero waste to landfill initiative by which its first goal is to repurpose the electronic materials through remarketing. When that is not possible, TechReset works with Ontario Electronic Stewardship (OES) to recycle the material in compliance with all applicable laws and regulations in Canada.

Since 2017, we have repurposed or recycled over 22,525 kg of electronic waste.

Carbon and Energy

Carbon and Energy

On November 7, 2020, Maple Leaf Foods celebrated our one year anniversary as the first major carbon neutral food company in the world. Our Company is carbon neutral by aggressively avoiding and reducing our greenhouse gas emissions and investing in high-impact environmental projects to neutralize our remaining and currently unavoidable emissions. We have neutralized all our Scope 1 & 2 emissions and a portion of our Scope 3 greenhouse gas emissions. The Scope 3 emissions in our offset program include supplier emissions arising from animal production and packaging equivalent with the product volumes of Maple Leaf brands that display our Carbon Zero logo.

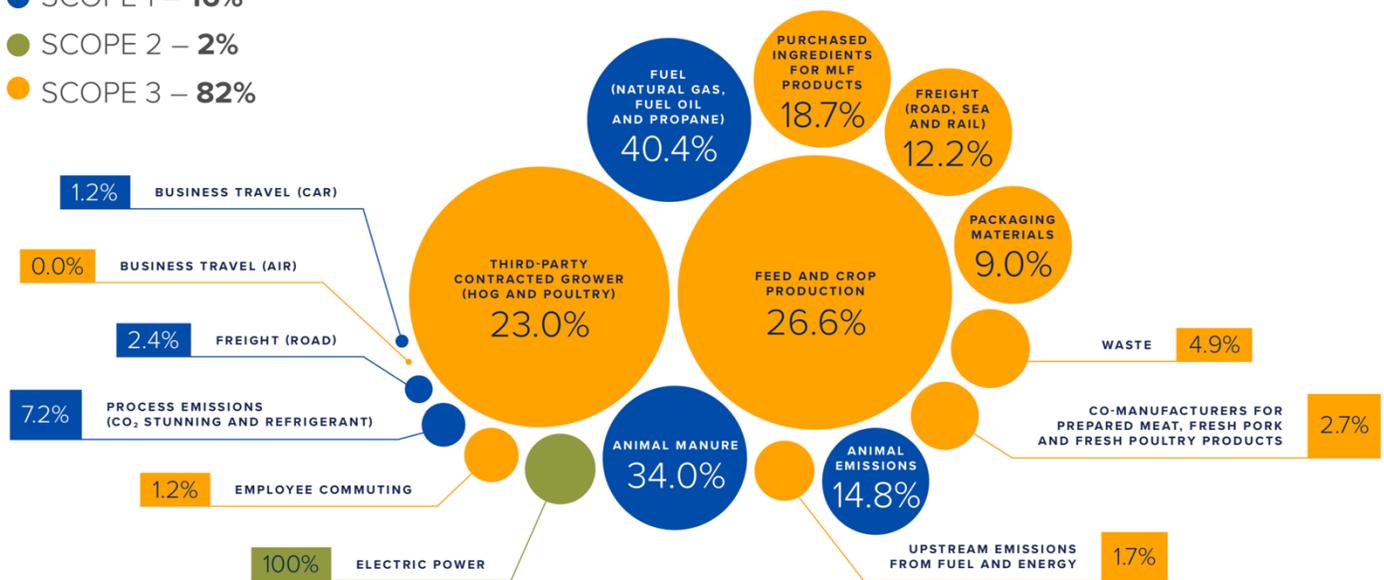
In 2019, we were one of just three animal protein companies globally and the only food company in Canada to set science-based targets that are aligned with the goals of the Paris Agreement on Climate Change and approved by the Science Based Target initiative (SBTi). Importantly, science-based targets require that we reduce our emissions even as we grow.

We are on a mission to be the most sustainable protein company on earth. We recognize that creating nutrient-dense protein like ours takes resources, and today, we are proud to replenish the environment in equal measure.

Carbon Inventory

Total Emission Sources

- SCOPE 1 – 16%
- SCOPE 2 – 2%
- SCOPE 3 – 82%



In technical terms, emissions can be categorized into three different types:

Scope 1: All direct greenhouse gas (GHG) emissions under Maple Leaf Foods operational control

Scope 2: Indirect GHG emissions from consumption of purchased electricity, heat or steam

Scope 3: Indirect GHG emissions not covered in Scope 1 and 2 that occur throughout the supply chain

What Science-Based Targets Have We Set?

Maple Leaf Foods has pledged to reduce our absolute scope 1 and 2 greenhouse gas (GHG) emissions by 30% by 2030 from a 2018 base year. We produce these emissions directly in our operations and from the electricity we purchase.

We have also pledged to reduce scope 3 GHG emissions by 30% per tonne of product produced over the same period. These emissions are produced in our supply chain, including raw materials, feed and ingredients we purchase and consume, and emissions associated with packaging, plus distribution of our products.

OUR JOURNEY

Becoming carbon neutral is Maple Leaf Foods' latest, bold step on its sustainability journey. Since 2015, we have advanced against our environmental footprint reduction target of 50% by 2025, one of the most aggressive intensity reduction targets in the food industry. We are achieving this by realizing efficiency gains of projects we have implemented across our network, investing in technology and rigorous monitoring.

To neutralize our remaining emissions, we are investing in high-quality, credible and verifiable projects that reduce greenhouse gas emissions to bring our net carbon footprint to zero.

We have come far on our sustainability journey and are committed to continue to lead in critical efforts to fight global warming and to protect the planet.

2013: Maple Leaf Foods appoints Lynda Kuhn, a member of our Senior Leadership Team, to create a company-wide sustainability program.

2014: Maple Leaf Foods embraces the message “you manage what you measure” and sets big, bold goals for the company in key sustainability areas including nutrition, animal care, our people and communities. We set the boldest intensity-based environmental goal in our industry: 50% environmental footprint reduction by 2025.

2015: Maple Leaf Foods brings on board Tim Faveri, VP of Sustainability & Shared Value, to oversee our efforts to become a more efficient and environmentally friendly operator. We also retained an independent engineering firm to audit all our operations to identify improvements in energy, water and solid waste and create an action plan for each facility to reduce its footprint.

2016: Maple Leaf Foods focuses on a multi-phase national program to convert all lighting at facilities to energy efficient LEDs. We also launched heat-recovery projects to capture excess heat generated by compressors, boilers and other equipment and use it to pre-heat water and send to other parts of facilities where more heat is needed. We also began to explore other opportunities like geothermal heating and cooling, solar energy, battery storage, and hybrid and electrical vehicle use.

2017: Maple Leaf Foods completes phase 1 of our national lighting retrofit program and launches phase 2. We continued to focus on our utility usage by implementing a robust utility management system to monitor utility consumption and measure our environmental performance at each facility. This system houses all data which is analyzed to target further reduction strategies.

2018: Maple Leaf Foods completes phase 2 of our national lighting retrofit program and begins to expand the efforts to barns and distribution facilities. We also continued our partnership with a local biodigestion company that accepts organic waste and turns it into renewable energy. We begin the development of a comprehensive carbon management strategy.

2019: Maple Leaf Foods commences re-audits of our largest facilities to assess the impact of the projects we implemented since 2015 and identify additional opportunities to further reduce our environmental footprint. We begin developing a formal feasibility review of anaerobic biodigestion technology to capture methane at our facilities and from pig manure at our barns.

2019: 7 November 2019: Maple Leaf Foods is the first major food company in the world to be carbon neutral! We were able to achieve carbon neutrality by aggressively reducing our greenhouse gas (GHG) emissions, committing to Science-Based Targets for even further reductions and investing in environmental projects that offset remaining GHG emissions, bringing our net footprint to zero today.

2020: 2020 was a milestone year for Maple Leaf Foods. We celebrated one year as the first major carbon neutral company in the world. We became a founding member of the Canadian Plastics Pact (CPP) to work collectively with other companies, NGOs and public sector partners to tackle plastic waste and pollution. And together with CN and Celestica, we signed an open letter to call on Canadian companies to take meaningful climate action, protect the environment and help to ensure a sustainable, equitable and healthy future for all Canadians.

Support of Environmental Projects

Maple Leaf Foods is supporting 12 high-impact, environmental projects to neutralize our remaining, unavoidable emissions. These projects are located throughout Canada and the U.S., and many are near the locations where our facilities and barns operate.

This certificate of allocation details our investments in the Verified Emission Reduction projects.
This certificate of allocation details our investments in Renewable Energy Credits.

Learn more about our projects by clicking on each of the boxes below.

AIM Environmental Waste Diversion Project

Location: Ontario, Canada

Technology type: Composting

Certification: CSA Group

The Hamilton Central Composting Facility processes source-separated organics (SSO) in an in-vessel composting system. AIM focuses on converting organic residues from three municipal collection sites to quality compost product. The project reduces the burden on local landfills and raises the bar for industry by providing a sustainable methodology to divert organic waste away from an anerobic site, avoiding methane production.

[VIEW THE CSA GROUP REGISTRY](#)

Van Steyn Dairy Digester

Location: California, USA

Technology type: Livestock

Certification: Climate Action Reserve

This project is located on a California dairy farm that uses a flush system to collect manure from livestock stalls and transports it to an anaerobic digester. This digester then converts the gas to electricity through this process, reducing emissions. The project collects the waste from 650 cows on the dairy farm.

[VIEW THE CLIMATE ACTION RESERVE REGISTRY](#)

Indigo Ag – Regenerative Agriculture

Location: USA

Technology type:

Certification:

Indigo Ag is a company dedicated to harnessing nature to help farmers sustainably feed the planet. Through Indigo Carbon, companies can purchase verified agricultural carbon credits that reward individual farmers for adopting regenerative agriculture practices that sequester carbon in soil.

Regenerative agriculture is a system of farming principles and practices that seeks to rehabilitate and enhance the entire ecosystem of the farm. It is a method of farming that improves the resources it uses, rather than destroying or depleting them. Regenerative agriculture focuses on topsoil regeneration, increasing biodiversity, improving the water cycle, enhancing ecosystem service supporting carbon sequestration, increasing resilience to climate change, and strengthening the health and vitality of farm soil.

Indigo Carbon presents the first agricultural carbon credit project to deploy scalable, registry-approved methodologies for monitoring and quantifying net on-farm greenhouse gas emissions reductions and removals.

“We are proud to partner with Indigo Ag as another key milestone in our purposeful journey to becoming the most sustainable protein company on earth,” said Michael McCain, President and CEO, Maple Leaf Foods. “The potential for carbon sequestration through regenerative agriculture is game changing for global climate action. As a carbon neutral company, Maple Leaf Foods is committed to creating a more sustainable food system by investing in high-impact environmental projects and supporting local farmers as they harness the power of agriculture to meaningfully reduce greenhouse gases globally.”

Massachusetts Tri-City Forestry

Location: Massachusetts, USA

Technology type: Forestry

Certification: American Carbon Registry

Three cities in Massachusetts (Holyoke, Westfield and West Springfield) have launched a joint Improved Forest Management project on 17,000 acres of public forestland in central Massachusetts. (All within approx. 50 miles of Lightlife Foods in Turner Falls).

These cities are challenged financially and are under pressure to generate increased revenue from their forests – this project enables them to do so without resorting to more aggressive timber harvesting.

The forest management practices of the Tri-City project provide a critical habitat for many mammals, birds, and plants.

[VIEW OUR CERTIFICATE OF ALLOCATION OF VERs](#)
[VIEW THE AMERICAN CARBON REGISTRY](#)

University Energy Efficiency & Renewable Energy Projects

Location: Indiana, USA

Technology type: Energy Efficiency & Renewables

Certification: Verified Carbon Standard

Ball State University in Indiana has pioneered the use of VCS's methodology designed specifically for higher education. The projects have spurred innovation and encouraged uptake of energy efficiency and renewable energy through the communities surrounding the university. The campus reinvests all revenue from carbon credit sales into further emissions reductions projects on campus, accelerating its progress towards carbon neutrality. Ball State University is part of the Climate Leadership Network, committing to incorporating sustainability and climate action into its curriculums.

[VIEW THE VERIFIED CARBON STANDARD REGISTRY](#)

Carbon Neutral Technology Project

Location: Ontario, Canada

Technology type: Waste management

Certification: CSA Group

This project's program refurbishes end-of-first-life IT assets, which reduces emissions associated with the manufacturing of new IT equipment. The product of electronic devices and office equipment involves a variety of processes that release GHGs, and used assets are typically disposed of in ways that add to the net emissions of the products. Without this project, this disposal of these assets would create GHGs during decomposition.

[VIEW THE CSA GROUP REGISTRY](#)

HFC Emissions Reduction

Location: Ontario, Canada

Technology type: HFC Replacement

Certification: American Carbon Registry

The HFC Emissions Reduction project uses a foam blowing agent that has a 99% lower Global Warming Potential (GWP) than previous agents, which encourages more resilient and sustainable production processes. All polyurethane foam requires the use of blowing agents (BA) in its manufacture and application. The BA is associated with GHG emissions from manufacturing until end-of-life, so the switch to a more environmentally-sound agent decreases the emissions for the product. As a result, this project generally reduces emissions by 25,000-65,000 MT of CO₂.

[VIEW THE AMERICAN CARBON REGISTRY](#)

Foam Blowing Agent Project

Location: Virginia, USA

Technology type: HFC Replacement

Certification: American Carbon Registry

This foam blowing agent project is in Winchester, Virginia and has been operational since 2018. The project consists of transitioning to a blowing agent (BA) with a lower Global Warmer Potential (GWP) that what was previously used during manufacturing processes, which results in GHG emissions reductions.

[VIEW THE AMERICAN CARBON REGISTRY](#)

Rochelle Municipal Landfill Gas

Location: Illinois, USA

Technology type: Landfill Gas

Certification: Climate Action Reserve

The Rochelle Municipal Landfill Gas project voluntarily captures and destroys methane from the landfill through a combination of gas wells, conveyance piping and condensate removal equipment. This combined process destroys the gas at either an open flare or an energy generation facility.

[VIEW THE CLIMATE ACTION RESERVE REGISTRY](#)

Maple Hill Landfill Gas

Location: Missouri, USA

Technology type: Landfill Gas

Certification: Climate Action Reserve

The Maple Hill Landfill Gas project is located in Macon, Missouri in the United States. The landfill gas collected through the various processes of the project is destructed in the end at an open flame, therefore reducing GHG emissions.

[VIEW THE CLIMATE ACTION RESERVE REGISTRY](#)

St. Joseph Wind Energy

Location: Manitoba, Canada

Technology type: Wind

Certification: Green-e

The St. Joseph Wind project is a 138 MW wind project located near St. Joseph, Manitoba just north of the US border. St. Joseph wind is the largest wind project in the province and has been operational since 2010.

St. Leon Wind Energy

Location: Manitoba, Canada

Technology type: Wind

Certification: Green-e

The St. Leon Wind Energy Project is a 120.5 MW wind project, one of the largest in the province, located approximately 150 kilometres southwest of Winnipeg near the town of St. Leon and Swan Lake First Nation in Manitoba.

Brady Wind I

Location: North Dakota, USA

Technology type: Wind

Certification: Green-e

Brady I is a 150 MW wind farm sponsored by Next Era Energy, the largest renewable energy developer in North America.

CARBON PRICING

The internal “price on carbon” that we have established provides input to all our capital decisions. We have created a carbon calculator tool that factors the carbon cost into all capital expenditure requests and return on net assets calculations. This established price fluctuates with the average price the Company pays to secure Renewable Energy Credits and Verified Emissions Reductions offsets. The Company evaluates all existing and emerging federal and provincial carbon pricing and compliance programs and will participate if it sees value and minimal risk. The Company’s ambitious SBTs and the implementation of our comprehensive carbon management strategy reduces our exposure to regulation changes around carbon pricing and gives us a competitive advantage against companies that do not engage in emissions reduction activities.

CANADA’S FIRST SUSTAINABILITY-LINKED LOAN

In 2019, Maple Leaf Foods amended its Credit Facility to become part of the first Sustainability-Linked Loan in Canada – a partnership with nine global banks to encourage maintenance of carbon neutrality and reductions in greenhouse gas emissions, electricity, water and solid waste. The Sustainability-Linked Loan consists of a \$1.3 billion unsecured committed revolving line of credit maturing April 30, 2024, and two unsecured committed term credit facilities for US\$265.0 million and \$350.0 million maturing April 30, 2024 and April 30, 2023, respectively. This Sustainability-Linked Loan is intended to meet the Company's funding requirements for capital investments. Under the terms of the Sustainability-Linked Loan, the Company can benefit from lower interest rates upon achievement of certain sustainability targets and carbon neutrality. This reduction will not materialize until at least 2021, and there is no penalty for not achieving the targets.

REDUCING OUR FREIGHT KILOMETRES

We have been optimizing our logistics program since 2011 in an effort to reduce our greenhouse gas (GHG) emissions. All our work has resulted in Maple Leaf Foods eliminating over 8,550,943 km of truck transportation, resulting in a reduction of 9,176 tonnes of GHG emissions.

Optimizing our inbound and outbound logistics program has been one of our efforts to get our product from one point to another in an efficient manner while keeping in mind our environmental footprint.

Here's how we optimized our logistics program:

Shipping full pallets in a single trip helped us reduce the overall number of trips and trucks on the road

Consolidation of orders

Adherence to shipping schedules

Our increased use of intermodal transport is also positively impacting our environmental footprint reduction. In 2020, our intermodal transportation increased to 88%, up from 82.9% in 2019. Since 2011, we have eliminated over 8,550,943 km of truck transportation, resulting in a reduction of 9,176 tonnes of GHG emissions.

MANURE MANAGEMENT AT MAPLE LEAF FOODS

Pig manure contains valuable macro and micro nutrients that promote soil health. Many factors affect greenhouse gas (GHG) emissions from livestock manure, including temperature, oxygen level (aeration) and moisture.

The type of manure, for example coming from livestock, and how the manure is handled (i.e., piled or managed in anaerobic lagoons) and stored can also contribute to GHG emissions.

Good manure management is essential for minimizing GHG emissions caused by microbial activities during manure decomposition.

In 2020, Maple Leaf's owned and leased hog barns recycled 1,413,267,186 litres of manure from storage lagoons by applying it to fields as fertilizer. One hundred per cent of the manure was applied with a site specific nutrient management plan developed by a certified agrologist.

In 2020, we applied over 1.4 billion litres of manure to fields as fertilizer.

ENVIRONMENTAL SAVINGS DURING THE PANDEMIC

We estimate that over an approximate 40-week office shut-down in 2020 at our Canadian corporate headquarters and smaller regional offices, we avoided over 8.8 million km commuting to and from work and 2,000 tonnes of CO₂e.

This is equivalent to taking 435 passenger cars off the road for one year, or equivalent to 241 homes' energy use for one year.*

*Source: U.S. Environmental Protection Agency Greenhouse Gas Equivalencies Calculator.

Reducing Energy Consumption Across Our Operations

AMMONIA HEAT RECOVERY

In 2020, our Heritage Hamilton plant installed an Ammonia Heat Recovery System that resulted in over 850,000 m³ of natural gas saved and over 1,500 tonnes of CO₂e eliminated. Ammonia heat pumps convert the waste heat from refrigeration into useable high-temperature heat, rather than exhausting it to the atmosphere through evaporative condensers. Overall, our Heritage plant reduced its natural gas intensity by 20% from 2019.

HOT WATER TANK REPLACEMENT

As much as we maintain hot water tanks to avoid leaks, they sometimes occur. In 2020, our Courtnepark plant identified a water leak in the hot water tank system. By replacing the tank, the plant is projecting to save 103,776 m³ per year in natural gas. Overall, our Courtnepark facility has reduced its natural gas intensity by 5.9% from 2019.

HIGH EFFICIENCY WATER HEATER

In 2020, our Lethbridge plant replaced its old steam heated water tank that only ran on approximately 50% efficiency to a direct contact water heater that has a 99% efficiency rate. This has contributed to a 162,998 m³ savings in natural gas. Overall, our Lethbridge plant has reduced its natural gas intensity by 11.4% from 2019.

Water

Water

Water is of great importance to Maple Leaf Foods, and we continue to explore ways to reduce our absolute water consumption and use water more efficiently. Since 2015, we have completed approximately 130 water conservation/reuse projects across our facilities and have been progressing toward our water intensity reduction target of 50% by 2025.

WATER PERFORMANCE

As of 2020, we have reduced our absolute water consumption by 1,202,360 m³ and our water intensity by 21.6% from our 2014 baseline. We are proud to report that we achieved our 20% by 2020 water reduction target. We recognize that we need to ramp up our efforts to achieve 50% reduction by 2025, so in 2020, we continued implementing water conservation projects and re-audited our key facilities to update our action plans and identify further opportunities for reductions and efficiencies.

WATER RISK ASSESSMENT AND CONSERVATION

In 2017, Maple Leaf Foods worked with a third-party consultant and WWF Canada to conduct a water risk assessment of its owned/leased farms and facilities and sourced feed and feed ingredient locations in Canada. The assessment of water risk was divided into three categories: freshwater health, freshwater threats and future water yield. Health and threats were further broken down by water quality, pollution, water use and climate change. Future water yield was assessed using climate models and climate change scenarios.

Maple Leaf's owned/leased pork farms were identified in Southern Manitoba within the Souris, Assiniboine, Red, Lake Manitoba and Lake Winnipegosis, Western Lake Winnipeg and Winnipeg sub-watersheds. Our owned/leased poultry farms were identified in the Southern Ontario sub-watershed of Northern Lake Erie and our chicken hatcheries were identified in Northern Lake Erie and Eastern Lake Huron. In addition to livestock farm type and location, Maple Leaf Foods sources feed and feed ingredients (soy, corn, canola oil, etc.) from the provinces of Saskatchewan, Manitoba, Ontario and Quebec.

It was determined that our organization has not directly caused or contributed to any negative water-related impacts on environmentally sensitive watersheds; however, some of our farms are located in areas where there are high threats to fresh water and overuse of water. The findings of this assessment have helped to inform the strategies we have integrated across our operations to reduce water use at our facilities and across our supply chain, and to reduce economic risk in the future.

In 2020, Maple Leaf Foods conducted a physical climate risk assessment and climate scenario analysis, working with an independent third-party consultant, to better understand the climate-related risks and potential impacts to its livestock, assets, supply chain and operations. This assessment

focused on extreme temperatures, freeze-thaw (i.e., number of ice days), water stress, and extreme wind and rainfall. It was determined that all regions in which the Company operates have medium to high risk of water stress due to temperature rise and increased drought risk, which can impact the availability of feed and water resources for sanitation. Using this information, we have prioritized where we should focus our physical risk mitigation efforts, and continue reducing our water consumption across our operations.

All but one of our manufacturing facilities and one of our distribution centres draw and discharge water using municipal sources. The majority of our barns and feed mills use well water due to their rural locations.

Water conservation and reduction opportunities are a key component of our utility audit program and each facility's environmental sustainability action plan. Every facility has committed to reducing its water intensity by 50% by 2025 (2014 baseline) aligned with our overall company-wide goal.

We've reduced our water consumption by 1,202,360 m³ since our 2014 reporting baseline year.

Conserving Water Across Our Operations

We have been re-auditing our key operations and implementing processes across our facilities that help us reduce our water consumption. Click on the photos to learn more.

EQUIPMENT REPLACEMENT AND REPAIRS

Sometimes leaks happen. In 2020, our Courtneypark plant identified a water leak in the hot water tank system and in the vacuum system. By replacing the hot water tank, the plant is projecting to save 20,629 m³ per year in water and by repairing the leak in the vacuum system, the plant is projecting to save 73,440 m³ per year.

EQUIPMENT IMPROVEMENTS

In 2020, our Lagimodiere plant improved the efficiency of its tumblers and switched to lower-flow shower spray nozzles that contributed to a 5.1% reduction in water intensity from 2019. Our Brandon facility reduced the flow rate in its equipment where possible, and eliminated the use of water during non-production times that contributed to approximately 100,800 m³ per year in water savings.

AMMONIA HEAT RECOVERY

In 2020, our Heritage Hamilton plant installed an Ammonia Heat Recovery System that resulted in over 5,206 m³ of water saved and over 1,500 tonnes of CO₂e eliminated. Ammonia heat pumps convert the waste heat from refrigeration into useable high-temperature heat, rather than exhausting it to the atmosphere through evaporative condensers.

Solid Waste

Solid Waste

Reducing solid waste across our facilities and operations is important for Maple Leaf Foods. We are constantly exploring new opportunities to reduce the production of solid waste at our facilities, improve our landfill diversion rate, and reduce the amount of food loss and waste arising from our business. To that end, we have conducted solid waste audits and performed internal analysis in order to measure our performance and identify opportunities for improvement.

Our 2020 diversion rate is 91.6%. We diverted 198,819 metric tonnes of organic waste from landfill.

LANDFILL DIVERSION PERFORMANCE

In 2020, we began tracking our solid waste and landfill diversion rate by using diversion reports and invoices provided by our waste management vendors instead of using the findings from our solid waste audits. Although we have a company-wide landfill diversion rate of over 91%, this change in methodology resulted in a reduction of only a 12.1% in our solid waste intensity from our 2015 baseline compared to our previously stated performance. Our new process is a more accurate reflection of our performance and will provide us with greater visibility into how much work needs to be done to reach our goals and better identify areas for improvement.

We continue to conduct solid waste audits annually through our auditing and environmental sustainability audit program to identify opportunities to reduce our solid waste. Similar to how we prioritize our utility audit findings, we conducted an effort–impact analysis of the opportunities to assess execution and prioritization. We assessed impact according to the findings' contribution to the waste reduction stream, as well as savings. The effort analysis was based on the availability of municipal infrastructure, capital investment, timing and human resource requirements.

From our audits, we determined that the following three areas provide opportunities for improvement in our waste diversion rates: organics, plastics and paper.

Our biggest opportunity continues to be the diversion of organic sludge from our Brandon wastewater facility. Over the past year we have been reviewing various technologies to convert this sludge into renewable energy that can be consumed in our Brandon plant. This will not only help meet our SBTs but significantly improve our overall landfill diversion rate.

50% Organics

21% Non-recyclables

13% Plastics

13% Paper Fibres

3% Metals, Glass, Other

LANDFILL DIVERSION CERTIFICATION

In 2020, our New Hamburg Hatchery became the first Maple Leaf Foods facility to achieve landfill diversion certification through GreenCircle Certified LLC. The facility diverts 98% of its waste from landfills. The team at New Hamburg has placed a focus on waste diversion opportunities over the past several years with the majority of the material derived at the facility going to rendering, recycling and composting.

In 2020, our New Hamburg facility achieved a 98% landfill diversion certification through GreenCircle Certified, LLC.

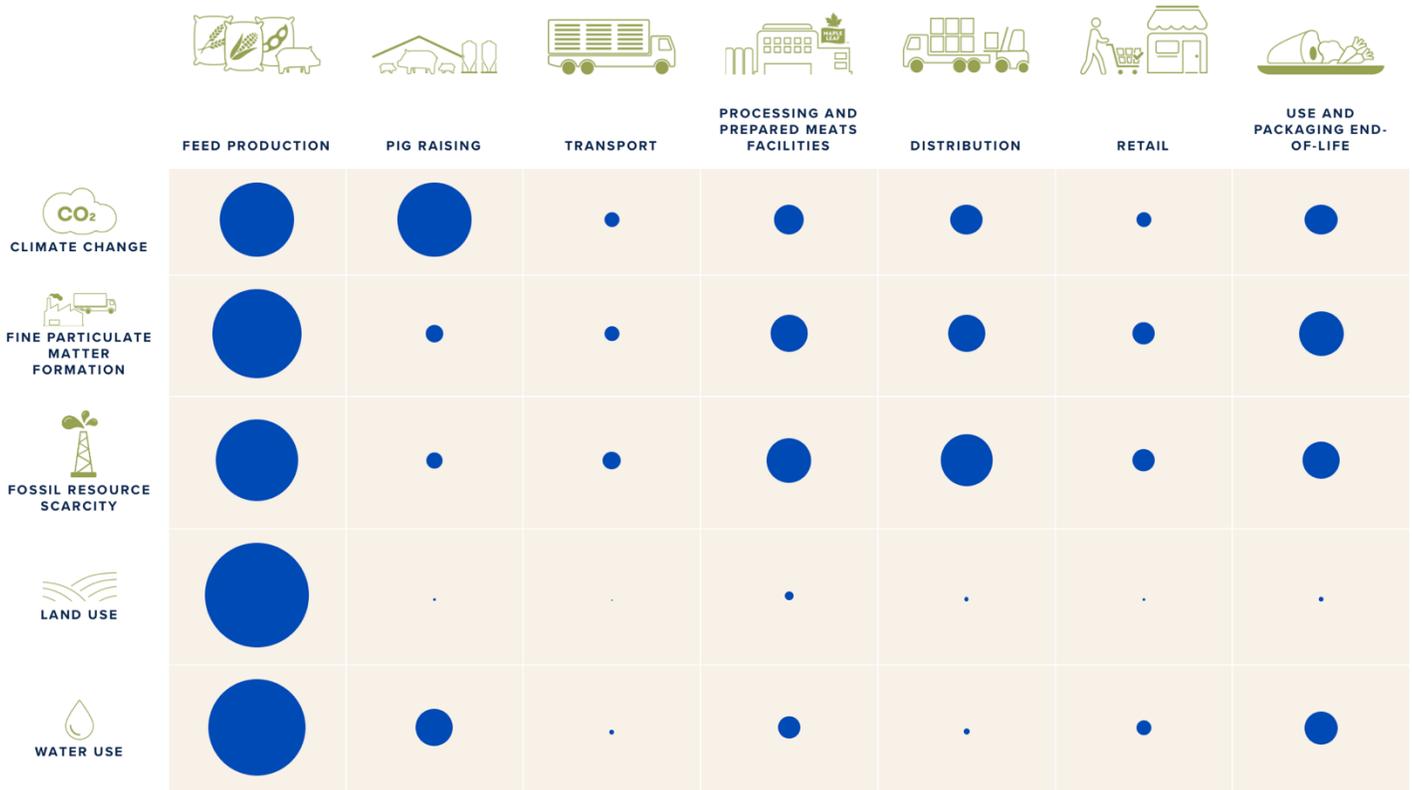
LIFE CYCLE ASSESSMENT

We conducted a comprehensive life cycle assessment (LCA) of our products to gain an insight into the relationships between the various production phases and their relative environmental impact(s). Life cycle assessment (LCA) is a useful tool to identify and prioritize initiatives that will further reduce the environmental impacts of the product that is assessed. We conducted a life cycle assessment (LCA) of one of our products, Maple Leaf bacon (375 g product), according to the requirements of ISO 14040 and ISO 14044.

As the results show in the graphic, environmental impacts occur throughout the entire pork production chain, with the most significant impacts coming from feed production and pig raising.

The study highlighted several recommendations that will help Maple Leaf Foods realize a significant reduction in our environmental impact. Optimizing feed composition, considering different transportation modes and investigating ways for further reduction of methane emissions from barns are among the recommendations.

ENVIRONMENTAL IMPACT OF MAPLE LEAF BACON (375 G)



* Life cycle assessment of Maple Leaf bacon prepared by Ecofys, a Navigant company, finalized in 2018. In the graphic above, the size of the circle is proportional to the magnitude of the impact.

REDUCING FOOD WASTE

We are committed to reducing food loss and waste (FLW) arising from our operations by 50% by 2025. That's why we've implemented a rigorous process to define and measure FLW and are continuing to investigate how FLW is impacting our business through a plant assessment program.

In 2019, we joined seven other leading Canadian companies in formally committing to Canada's National Zero Waste Council and Provision Coalition in an effort to prevent and reduce food waste in our own operations. We engaged in a rigorous process to define FLW using the Food Loss Waste Protocol developed by the World Resources Institute (WRI). We conducted FLW assessments and worked to establish a baseline for each of our operating units. Due to our vertically integrated business model, we determined that the majority of our food waste occurs within our prepared meats and distribution centre facilities.

In 2020, we conducted additional FLW assessments to help us develop a consistent standard to collect data, identify opportunities for reduction and improve processing efficiencies. Since 2016, we have reduced our FLW intensity by 30.9%. We are proud of the progress we have made to date. However, we still must work to ensure that food waste from our facilities does not end up in landfill. In

2021, we will continue to conduct additional FLW assessments and develop a robust action plan to meet our end goal.

We are committed to reducing food waste arising from our operations by 50% by 2025 (2016 baseline) and investigating how food loss and waste are impacting our entire supply chain.

ELIMINATING WASTE IN OUR SUPPLY CHAIN

To transport our products, we have partnered with CHEP, a provider of reusable pallets that are built from 99.7% certified lumber (PEFC and FSC certifications). Every time we use one of CHEP's reusable pallets, rather than one-way packaging, we eliminate waste and improve efficiency. In 2020, by using reusable pallets, we have reduced substantial environmental impacts:

BARRELS OF OIL	KG OF SOLID WASTE	MILLION BTUs OF ENERGY	TONNES OF CO₂
5,442	411,610	31,447	2,308

* Data provided by CHEP.

Waste Reduction Across Our Operations

We have been implementing waste reduction initiatives across our operations and in our facilities. Click on the photos to learn more.

RECYCLING ELECTRONICS

The electronic waste recycling program has been in place for many years at Maple Leaf Foods.

We have partnered with TechReset to recycle all our used electronics. TechReset has a zero waste to landfill initiative by which its first goal is to repurpose the electronic materials through remarketing. When that is not possible, TechReset works with Ontario Electronic Stewardship (OES) to recycle the material in compliance with all applicable laws and regulations in Canada.

Since 2017, we have repurposed or recycled over 22,525 kg of electronic waste.

MATERIAL REUSE

An employee at our St. Mary's facility saw an opportunity to reduce waste. The employee proposed reusing the slip sheets from incoming new cardboard packaging for outgoing finished goods pallets, rather than purchasing new slip sheets. This initiative resulted in the reuse of over 7,800 slip sheets in 2020 and saved the Company approximately \$800 a month.

STORMFISHER BIO-DIGESTION

Since 2016, we have diverted over 18,561 metric tonnes of organics from our Ontario facilities to StormFisher Environmental in London, Ontario. Through bio-digestion, this volume of waste has produced over 8,155,970 kWh of green electricity, prevented over 9,442 metric tonnes of CO₂ from being released into the atmosphere and produced 1,401 metric tonnes of organic fertilizer.

Packaging

Packaging

Over the past few years, packaging waste, namely plastics, has emerged alongside climate change as a global environmental priority, creating increasing momentum for change.

With Maple Leaf Foods' vision to be the most sustainable protein company on earth, we have been working with our suppliers and government stakeholders to improve recycling systems, and have also been working on a comprehensive sustainable packaging strategy. Our strategy will be designed to innovate and develop sustainable packaging for all our products. It will include reducing the overall amount of packaging materials used, where possible, sourcing materials with high recycled content and shifting to fully recyclable materials, over time.

CANADA PLASTICS PACT

In 2020, Maple Leaf Foods, along with more than 40 leading Canadian businesses, signed the Canada Plastics Pact (CPP). The CPP unites Canadian businesses, NGOs and public sectors to tackle plastic waste and pollution. The signatories will be collaborating to achieve clear and actionable targets. We developed our own targets based on the CPP's Golden Design Rules, which are:

1. To define a list of plastic packaging that is to be designated as problematic or unnecessary and take measures to eliminate them.
2. To have 100% plastic packaging designed to be reusable, recyclable or compostable.
3. To have 50% of plastic packaging effectively recycled or composted.
4. To have 30% recyclable content across all plastic packaging.

To learn more, visit [Canada Plastics Pact](#).

MATERIAL REDUCTION

We achieved **30%** reduction of material weight across our Deli Meat portfolio on 175g pack sizes by optimizing material gauge selection in 2020.

We achieved a **40%** reduction in packaging material weight across Maple Leaf® branded LunchKits by replacing the paperboard sleeve with pre-printed film.

We achieved a **14%** average reduction in packaging material weight across Maple Leaf Prime® Further Processed Poultry by right sizing the packaging components.

RECYCLABLE, POST-CONSUMER RECYCLED CONTENT (PCR) AND ALTERNATIVE MATERIALS

We used **100%** recyclable packaging components for our Swift® Premium Chicken Mini Pot Pie.

We used **100%** recyclable trays that are made with **95%** post-consumer recycled content for our Maple Leaf Prime® Organic Boneless, Skinless Chicken Thighs, Lightlife™ Plant-based Burger and Greenfield® Fresh Pork.

MODIFIED ATMOSPHERE PACKAGING (MAP)

We launched our Prepped and Ready portfolio packaging with Halopack, an eco-friendly solution that uses a combination of **90%** recycled paperboard and **83%** less plastic.* Halopack is the first fully gas-tight cardboard Modified Atmosphere Packaging (MAP) that serves to preserve quality and nutritional value and reduce food waste.

* When compared to a traditional high impact polystyrene (HIPS) tray.

CONSUMER EDUCATION

We are the first Canadian food company to partner with How2Recycle. How2Recycle is a standardized labeling system that provides instructions for proper recycling. We are exploring collaborative opportunities with the How2Recycle program.

We are the world's first carbon neutral food company to partner with Loop, a global circular shopping platform designed to eliminate the idea of waste by transforming products and packaging from single-use to multi-use. We worked together to support a Canadian launch of the Loop program in 2020.

“BLUE BOX” PROGRAM

In Canada, Maple Leaf Foods is considered a packaging steward of the household curbside recycling program of printed paper and packaging. In most Canadian jurisdictions with provincial collection programs (typically referred to as the “Blue Box” Program), costs required to collect recyclables and manage the program have been shared 50/50 between packaging stewards and municipalities. The fees (Stewardship Fees) associated with these programs are administered by the Canadian Stewardship Services Alliance (CSSA) and by Éco Entreprises Québec (EEQ). Across Canada, provinces are moving toward full producer responsibility, which means packaging stewards will eventually bear 100% of the cost of the provincial Blue Box programs.

Annually, we submit the total packaging weight of our branded products and pay fees for each packaging type as established by the CSSA and EEQ.

PARTNERING WITH TERRACYCLE

In 2020, we maintained our long-standing partnership with TerraCycle, a company that specializes in “recycling the unrecyclable.” For nearly a decade, TerraCycle has accepted any brand and size of our Schneiders® Lunch Mate™ packaging.

Since the program launched, over 1,500 schools across Canada have collected and recycled over three-quarters of a million (over 825,500) pieces of Lunch Mate™ packaging that would have otherwise ended up in landfills.

SUPPLY CHAIN SPOTLIGHT: SUSTAINABLE PACKAGING

To explore sustainable packaging options for our products, we have partnered with one of our packaging suppliers, Cascades. They supply us with clear protein trays that are made with 100% PET recycled plastics, including a majority of post-consumer recycled content from bottle flake. Cascades also supplies us with containerboard boxes that are fully recyclable and are made with a majority of recycled fibre.

Experts in sustainable hygiene and packaging solutions, Cascades drives its product innovation agenda according to eco-design principles and a circular mindset, thanks to its material recovery division. The company ranks 17th among Corporate Knights’ 100 Most Sustainable Corporations in the World and has a long-standing commitment to sustainability and half a century of experience in recycling. In 2020, Cascades launched North America’s first thermoformed cardboard tray that is recyclable and made with 100% recycled fibre.

Partners in sustainability, Maple Leaf and Cascades remain on the lookout for more eco-designed packaging solutions that integrate up to 100% recycled content and support Maple Leaf’s commitment to sustainable and recyclable packaging.

Supply Chain

Supply Chain

Maple Leaf Foods is one of Canada's largest food companies. We support farmers and producers by purchasing the majority of our raw materials and ingredients from local sources. We generate significant regional economic benefits through our network of production, manufacturing and distribution facilities. We recognize that our supply chain has a significant environmental impact. In 2020, Maple Leaf Foods supply chain emissions (Scope 3) accounted for 82% of our total greenhouse gas emissions.

In 2019, we engaged in a rigorous process to develop our comprehensive carbon management strategy and calculate our carbon inventory to fully understand where our Scope 1, 2 and 3 GHG emissions reside. In 2020, our Scope 3 emissions accounted for 82% of our total GHG emissions. These emissions are produced in our supply chain, including raw materials, feed and ingredients we purchase and consume, and emissions associated with packaging, plus distribution of our products. We realized that if we want to support our vision to be the most sustainable protein company on earth, we need to consider the impacts of our supply chain and develop a plan to drastically reduce our Scope 3 emissions. We set science-based targets approved by the Science Based Targets initiative (SBTi) to reduce our Scope 3 emissions intensity (per tonne of product produced) by 30% by 2030 (2018 baseline). In 2020, we reduced our Scope 3 emissions intensity by 0.88% since 2018.

We began developing our Scope 3 reduction plans to execute on our SBTs, but the finalization of these plans was delayed due to COVID-19. We intend to finalize and commence implementation of our reduction plans in 2021.

Learn more about our Carbon Management Strategy and Science-Based Targets.

Maple Leaf Foods' Value Chain – Farm to Fork

Inputs

We source North American grains for our animal feed, and we own five mills that produce rations for our pigs. We source hogs and hatching eggs from our own system and also from trusted suppliers.

Barns and Hatcheries

We own pig barns (sow, nursery and finishing barns in Manitoba) and hatcheries (in Ontario and Alberta) that supply chicks to contract producers. All are closely monitored and audited to ensure high levels of animal care.

Transportation

We transport our eggs, chickens and pigs using specially trained drivers, which helps ensure consistent animal care and reduced stress. We use new hydraulic-lift pig trailers and are piloting climate-controlled poultry trailers to further improve animal care.

Processing and Prepared Meats Facilities

Our primary processing facilities, as well as our co-manufacturers, follow strict global food safety standards. Each is monitored by dedicated inspectors and veterinarians from the Canadian Food Inspection Agency (CFIA), the United States Department of Agriculture (USDA) and Food Safety and Inspection Service (FSIS).

Distribution

Our finished products go to one of two Canadian Maple Leaf Foods distribution centres, or directly to customers and international markets.

Grocery Retail and Foodservice

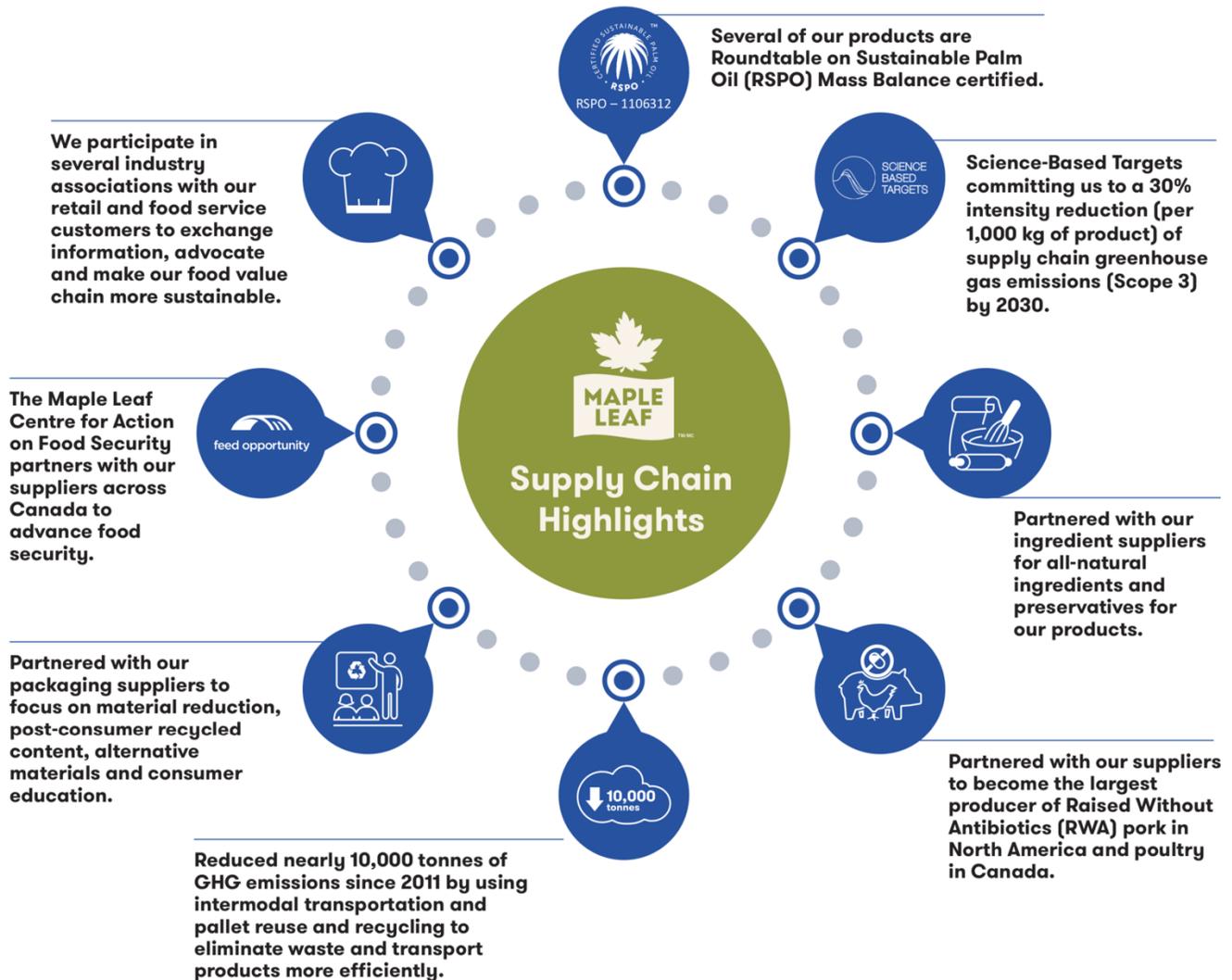
Grocery stores across Canada and the United States carry our brands, as well as private label products that we manufacture on their behalf. We also supply many major restaurants and foodservice companies.

Your Plate

At home and in restaurants throughout North America, people enjoy our high-quality, innovative products every day.

Supply Chain Highlights

Maple Leaf Foods is a member of several organizations and participates in different programs to share knowledge and advance collaboration on supply chain issues. We work with our suppliers, customers and industry stakeholders to identify opportunities to reduce our supply chain impacts. Click on the bubbles in the diagram to learn more or click here to download.



Learn more about our collaborative efforts with our suppliers CHEP and Cascades.