



REMARKS

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CHECK AGAINST DELIVERY

Good morning, and thank you David.

What does it mean to be Canadian?

This year marks our 150th birthday as a nation; a time when our country has never been more confident, more distinguished, more envied and more progressively forward thinking. And yet, the world has never been more volatile, uncertain, complex or ambiguous. We are blessed to be on the right side of that contrast!

Canada; a country founded on the principles of “Peace, Order and Good Government” has become a beacon in the world for what a secure, caring society, rooted in the ethos of inclusive growth, can look like.

There isn't a single lens to what defines us, but you will surely find references to adjectives like compassionate, grateful, humble, and accepting, but also tough and fiercely determined when we need to be, and innovative and fiscally responsible in pursuit of a prosperous future for all.

I reflect on this now, for two reasons. First, as shareowners and stakeholders, we should never lose connection with the fact that our company – Maple Leaf – is an iconic Canadian enterprise. We have a history which dates to March of 1898, with a storied journey. We represent every dimension of the fabric of this country – coast to coast, rural and urban, all walks of life with new and old Canadians, touching everyone in ways that only agriculture and food can do. Second, we also have come through a transformation that has created a confident future.

I think in many ways Maple Leaf values mirror Canadian values.

And those values drove us to persevere through difficult challenges, some steep hills and many obstacles, en route to a highly successful outcome.

Yes, there are financial rewards to that success and I will reference those in a moment. But the more meaningful accomplishment is – with your support – we have collectively secured the jobs and role this iconic Canadian company plays in our country for generations into the future.

We must: we must be proud of that!

My intent today is to recognize the successful completion of that journey of change, and mark Canada's 150th year with a confident vision of the future – for our country, and for Maple Leaf.

Let me begin with a recap of the recent accomplishments that culminated in a very successful year:

- We rebuilt our prepared meats network from old, sub-scale low technology facilities to super plants;
- We simplified our product portfolio to operate on this new network;
- We streamlined our distribution system;
- We replaced over 40 legacy systems with one powerful operating platform;

- We divested assets to become a protein-focused company, and streamlined the organization to reflect this leaner structure; and
- We built a powerful portfolio of market-leading brands.

The outcome of this unwavering perseverance, patience and transformation is a company which is a cost competitive powerhouse, singularly focused on being the best, most progressive protein company in the world, with the strongest brands and a leadership role in our industry.

And the financial reward for shareowners?

We achieved record profitability in 2016 and exceeded our strategic margin target set in 2010, recording adjusted EBITDA margin of 10.3% for the year. As context, from 2005 to 2010, the year we embarked upon our transformation, our average adjusted EBITDA margin was just around 3.5 percent. And we sustained a 10% plus margin in each quarter of 2016, and more than doubled our adjusted operating earnings to \$239 million.

Our improved operating performance has resulted in a significantly strengthened financial position, with cash on the balance sheet at the end of the year of \$404 million, and generating lots more. And, it has delivered an outstanding outcome for shareowners in the form of a higher stock price, and more cash returned to them:

- Since 2010, we tripled our stock price from around \$11 to over \$32 per share.
- Since the transformation was largely complete and success in sight, the Company's dividend has been increased from \$0.16 to \$0.44/share, and we have bought back 13.5 million shares of Maple Leaf stock worth \$337 million.

Finally, in the interest of "shared value", in 2016 we paid out a record incentive bonus to 1,400 Maple Leaf managers in the form of long and short-term plans, in recognition of the incredible success this team realized from their passion and hard work.

It wasn't an easy path for them. As a share owner and leader, I get great satisfaction in paying out "earned bonuses" like this, which have delivered remarkable results for our company and shareowners!

This sure sounds like a story of "win-win" for all stakeholders, and it was driven by our excellent 2016 results.

I am pleased to report that we have sustained this level of performance in our first quarter financial results for 2017, which were announced earlier this morning.

Our adjusted operating earnings increased over 10%, from \$54 million to \$59 million, our sales were up about 2% and our adjusted EBITDA margin grew from 10.2% last year to 10.8% this quarter.

We are fortunate at Maple Leaf to have a highly engaged team of more than 11,000 people, inspired by the most skilled leaders I have ever worked beside.

Change – and ultimately success – of this magnitude is never the exclusive domain of having the right strategies.

It always comes down to the grinding perseverance of excellent execution, which reflects the talent, commitment and hard work of so many people.

I am very proud of the fact that Maple Leaf was recently inducted into the Canadian Culture Hall of Fame recognizing the enduring strength of our culture.

This was also reflected in our recent people engagement survey, with responses like this:

- 91% like the job they do at Maple Leaf
- 88% believe Maple Leaf has an outstanding future, and
- 94% believe Maple Leaf is committed to being a responsible corporate citizen

I'd like to ask that our senior leadership team members here today stand and be recognized. Please join me in giving our heartfelt appreciation for these individuals and the people they represent....

I would also like to add my appreciation to our board of directors. You have been unwavering in your support, your guidance and your commitment over a very long period as we refocused and rebuilt our company. You have so capably fulfilled your governance role.

For that, on behalf of all shareowners, we are extraordinarily grateful. It wasn't easy for you either, and without your engagement and confidence, we would never have delivered this remarkable outcome.

So, what's next?

I can tell you categorically, we are NOT stand still people. Our shareowners don't expect that of us, our Board won't allow that in us, and our Maple Leaf culture breeds in us the constant desire for pursuit of the next mountain to climb.

The most exciting untold story of the past several years is that we have been quietly defining a long-term vision for this next journey. It is equally as distinctive as the last, likely even more powerful, and will deliver compelling rewards.

The challenge has been clear: tapping into a place which reflects what we believe in, which distinguishes us as unique in the marketplace, and delivers attractive growth opportunities. It has taken us the past several years to find the path that can deliver all three – true to who we are, unique and differentiating, with the prospect for higher levels of growth and prosperity.

We believe we have found that place, and we believe it's our calling.

We aspire to be the most sustainable protein company on earth.

And, we are well on our way. Let me articulate what we mean by this.

Food is life.

Eating well is essential to living well...food gives us the nourishment we need to survive, but much more. It gives us the joy of shared experience we need to thrive.

The food on our tables strengthens our bodies, our spirits, and our bonds with each other.

Healthful, soulful food then, should be a universal good and something we all can have. But our food system has drifted from its roots — to nourish well-being, to farm sustainably, to strive for social good, to connect deeply with our consumers.

We need to serve the world better.

At Maple Leaf, we are uniquely positioned to chart a new direction. From the beginning, our values have driven our actions. It's ingrained in us to take on big problems and adopt new ideas, to move forward and never look back. We value learning, truth and integrity. We face trials with strength. We do what's right.

That's why we're setting a high bar for ourselves.

To lead in food safety, quality, nutrition and taste. To treat our animals with care. To reduce our environmental footprint and advance food security for all. We're raising every standard, to be proud of what we bring to the table. We care deeply, because we know food can be good. Do good. Taste good. And feed more goodness into the lives of those we serve.

We share a conviction that Maple Leaf can raise everyone to better living, to a better life by raising the good in food. To be the most sustainable protein company on earth!

Sustainability requires a broad perspective, not a narrow one. Sustainable meat must be produced with respect, within environmental limits, and consumed in moderation as part of a healthy balanced diet. We have spent time thinking carefully about how we define sustainable meat production and the actions it requires of us.

We believe that:

- Sustainable meat is nutritious, healthy and safe.
- Sustainable meat is accessible, affordable and eaten in moderation.
- Sustainable meat is produced adhering to environmental standards that measurably reduce impacts across the lifecycle;
- Sustainable meat comes from animals that are raised with care, with minimal use of antibiotics and to standards that respect the Five Freedoms of animal welfare.
- Sustainable meat is produced through a resilient, fair and efficient food system that makes optimal use of land and natural resources.
- And sustainable meat is produced by a company that is responsive to the needs of society.

We embrace these principles, recognizing that sustainability is aspirational and evolving. We will measure ourselves against progress, not perfection. These principles will define our future.

Underpinning all of this, we have six strategies to bring it to life:

1. Leading in sustainability
 - Where we have the most aggressive goals in our industry;
2. Investing in our people
 - The foundation of our success– making Maple Leaf an inspiring workplace where the very best people can realize their full potential;

3. Making great food
 - Including advancing safety, health, nutrition, and leading in important areas such as reducing antibiotic use in livestock;

4. Broadening our reach
 - Including advancing our portfolio in non-meat alternative proteins as well as our geographic reach;

5. Building a digital future
 - Leveraging the new digital world to enhance our business; and finally;

6. Eliminating waste
 - Demonstrated in our deeply committed cost culture, and aggressive actions to dramatically reduce our environmental footprint.

Now, it is important to note that this is neither a newly inspired vision, or new strategies. As I said earlier, over the past five years we have been quietly defining our future, and the plans that will deliver competitive advantages as we build our leadership in protein. This tangibly shows up in many ways:

The fact that we are North American leaders in raising animals without antibiotics. We are large enough to bring scale efficiency in this space, while being agile enough to innovate and be a change maker in the industry. Our vertical integration and strategic investments continue to position us at the front edge of sustainable meat.

The fact that we have set the most aggressive goal for reducing our environmental footprint of any company in our space...a 50% reduction by 2025...and we are well on our way to achieving this. Last year we delivered reductions of over 15% in our energy and water consumption.

The fact that we have one of the leading animal welfare strategies in our industry, with the track record of investments and progress to back this up. As part of our commitment, we have transitioned more than 33,000 sows from conventional crates to open housing where they are free to roam and socialize. More broadly we are driving comprehensive advancements from environmental enrichment, training, and technologies to build a strong culture of animal care.

The fact that we are leading the way in health & nutrition enhancements in our categories, by advancing the goodness in our food, removing artificial ingredients, and leading in innovation that delivers on taste and nutrition.

The fact that we have expanded our leadership in refrigerated plant-based protein through the acquisition of Lightlife Foods, a North American leader. This category is growing at a whopping 11% per year.

The fact that – in a genuine source of pride for all of us – we demonstrated our leadership in “shared value” for the community by committing to champion solutions to what might be one of the most shameful societal problems of our time – food insecurity.

Canada, the bread basket of the world – has fully 4 million people who are food insecure. We will advance collaborative solutions to this issue. Our vision of a sustainable enterprise has to demonstrate this kind of leadership.

To that end, after many years of research and planning, last year we launched The Maple Leaf Centre for Action on Food Security, a non-profit organization. We will invest over \$10 million in the next five years towards its mandate of reducing food insecurity by 50% by 2030.

I have also personally contributed \$2.5 million to this important cause, and your senior leadership team and Board of Directors have also made personal contributions. Our vision is to be bold, impact focused and to differentiate our approach from conventional corporate philanthropy.

As you can see, collectively, this is not new work for us. It is now a well articulated roadmap for the future, and it will define us!

The obvious question is “what do we think is in this for our shareowners”?

With equal conviction, we see a clear path on that as well. Our 10% EBITDA margin target was wonderful when our starting point was around 3.5%. But, it isn’t best in class for profitability in our industry. We think “doing good” can help us “do good”, and believe these strategies can accelerate our profitable growth to a 14-16% EBITDA margin range within five years.

I can tell you that our team has never been more energized and engaged behind the opportunities in front of us.

With over 35 years in the food business, I have seen and experienced many things. The literal transformation of this great and iconic Canadian company by such a large body of people, working collaboratively and passionately, ranks at the top of the list.

Our success is the culmination of a big, bold vision, great conviction, and the discipline and talent needed to execute it.

As powerful as that transformation was, I do believe the next chapter in the Maple Leaf story will be even more rewarding, because we have defined a future that will deliver shared value to our business and to our society.

That future is to be the most sustainable protein company on earth.

This is authentic to who we are. It is based on our unique capabilities. It's based on what society needs and where we need to lead. And it's based on clear strategies that we have full confidence will deliver outstanding results.

We are delighted that we have delivered rewards to our shareowners and we are very excited about what lays ahead. On behalf of the Board and the team at Maple Leaf, I thank you for your investment and confidence in the Company and for joining us today. We are proud Canadians, and we are proud of Maple Leaf!

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