
REMARKS



Curtis Frank
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Maple Leaf Foods

2024 Annual Meeting of Shareholders

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CURTIS FRANK REMARKS

Thank you, Michael, and good morning, everyone. It's a pleasure to see so many of you joining us today, both in person here in the Forum and also online. It has been a busy 12 months since our last AGM, and a year of many "firsts" for me after assuming the role of CEO of Maple Leaf Foods last May.

First and foremost, I want to extend my gratitude to our Executive Chair, Michael McCain, for his unwavering support during my transition. I also want to acknowledge my fellow Directors for their support and guidance, our Senior Leadership Team and all of our team members at Maple Leaf Foods for their continued dedication.

My journey with Maple Leaf Foods spans virtually my entire professional career, closing in on 24 years, and anyone who knows me knows that I am deeply passionate about what we do. We have created a culture that is unique to us, a culture that thrives on high performance and a culture that is grounded in living our Maple Leaf Leadership Values.

It was five years ago that we rolled out an ambitious Blueprint at Maple Leaf Foods, with a bold Purpose—to raise the good in food—and an even bolder Vision—to be the most sustainable protein company on earth. Our Blueprint has not only set us apart in the marketplace, but has also served as our north star. It has guided us through the uncertainties of recent years and charted the course to creating Shared Value for all Maple Leaf Stakeholders.

I'll dive deeper into our evolved Strategic Blueprint shortly, but first, I'd like to share some reflections to close out 2023.

As I look back on 2023, I am left with somewhat mixed emotions. On one hand, I am immensely proud of the progress that we have made in stabilizing our business in this post pandemic economy, realizing the benefits of our recent capital investments, and positioning ourselves to capitalize on the platform we have built for future success. On the other hand, I am keenly aware that we have much yet to accomplish to achieve our full business potential.

And as a result, we can safely describe 2023 as a year of progress, but certainly not perfection.

Let's begin with the progress. In the face of such difficult market conditions, we made remarkable strides in advancing the execution of our Blueprint while demonstrating exceptional resilience. And most importantly, we exited the year with momentum building in our business, positioning ourselves for success in 2024 and well beyond.

Allow me to highlight but some of our team's noteworthy achievements from the past year:

- Throughout 2023, we achieved top-line sales growth of +2.7% and an Adjusted EBITDA of \$428 million, marking a substantial \$155 million or 57% improvement from 2022.

- In our Meat Protein business, we achieved sales growth of 3.6% by executing our core strategies in Brand Renovation, Sustainable Meats, and expanding our presence in the US Market.
- We successfully met our goal of achieving Adjusted EBITDA neutral or better in our Plant Protein business, accomplishing this milestone in the fourth quarter of 2023.
- We completed the start-up of over \$1 billion dollars in major capital projects at London Poultry and the Bacon Centre of Excellence, legacy assets that are poised to make significant contributions to our business for decades to come.
- Despite navigating through extraordinary levels of disruption and inflation following the aftermath of a global pandemic and global conflicts, we successfully restored the health of our supply chain while aligning our pricing to these new market realities.
- We demonstrated resilience in our Pork Complex, outperforming our competitive peers on a relative basis, even amid dislocated pork markets that persisted deeper and longer than we could have anticipated.
- And finally, we exhibited disciplined capital management and initiated our path towards deleveraging our balance sheet.

In the face of this year of intense disruption and transition, our steadfast commitment to creating Shared Value for all our stakeholders has remained unwavering, serving as a source of immense pride for us.

- Celebrating four years as a Carbon Neutral company stands as a testament to our dedication to environmental stewardship.
- Completing the launch of industry-leading innovations, such as Maple Leaf Natural Selections made with our simplest ingredients ever, reflects our ongoing pursuit of excellence in product development.
- Our commitment to Sustainable Packaging saw us convert to 100% recyclable trays at our London Poultry facility, thereby eliminating approximately 1000 tonnes of waste from landfills.
- Our passion for reaching our goal of reducing food insecurity in Canada by 50% before 2030 demonstrates our deep-rooted commitment to addressing societal challenges in the communities in which we operate.
- Maintaining our status as Global Leaders in Food Safety and People Safety underscores our unwavering commitment to the well-being of our employees and consumers alike.
- And finally, the scaling up our regenerative agriculture initiatives along with the completion of the next phase of work related to Anerobic Digestion, signifies our proactive approach to leading in sustainability.

These initiatives collectively shape a more sustainable future for all Maple Leaf stakeholders, positioning Maple Leaf Foods as a leader within our industry. And while these achievements, accompanied by our strengthening financial performance, surely indicate positive momentum in our business, I'm mindful not to declare victory today. Progress, indeed, but certainly not perfection.

It's in our nature to continue to strive for more and it's evident to all of us here at Maple Leaf that there's still much important work ahead enroute to realizing our full potential.

This brings me to the refresh of our Strategic Blueprint which was rolled out earlier this year — an essential foundation for delivering the next phase of profitable growth at Maple Leaf Foods. To be clear, our Vision and Purpose are enduring. They will not change. However, given the rapid pace of change around us, it's imperative that our core strategies evolve as we look towards the future.

And I am incredibly excited by the five core strategies we have outlined in our Blueprint – that will propel us forward:

- We will **Lead the Way** – By Making better food, taking better care of our people, communities and animals under our care and by nurturing a better planet. This sits at the heart of our focus on Shared Value Creation.
- We will **Build Loved Brands** – By investing in our portfolio of leading brands to build consumer demand and loyalty, by accelerating the pace of bringing impactful innovation to the market and by plugging our unique capabilities into our customers strategies.
- We will seek to **Broaden our Impact** – By extending our geographic reach with a focus into the US market, developing new channels and new categories such as e-commerce, and continuing to diversify our protein portfolio.
- We will **Operate with Excellence** – By harnessing advanced technologies and automations, applying data science and analytics, and escalating our focus on driving cost out of our business;
- And finally, and perhaps most importantly, we will continue to **Develop Extraordinary Talent** – nurturing our values-based culture, investing in our highest potential leaders, and inspiring our people to climb new mountains.

As we roll out this evolved Blueprint. It's important to be clear that things will be different.

- We are pivoting from building a world-class supply chain to harvesting the benefits of our investments. Here we are accountable to deliver the returns we committed, and we will deliver on those commitments.
- We are shifting from the internal focus associated with navigating the pandemic and post-pandemic markets to becoming a branded consumer packaged goods powerhouse.

- We are moving from a Canadian centre of gravity to accelerating growth not only domestically but with an increasing focus on accelerating growth in the US.
- We are evolving from capital-intensive internal projects to driving cost efficiency, leveraging technology and taking advantage of automation.
- We are prioritizing a strong balance sheet to create flexibility for disciplined growth.
- And, we are sharpening our competitive edge to stay ahead in an ever-evolving marketplace.

Appropriately, we will hold ourselves to a high standard of achievement and we have established a balanced scorecard to measure progress on this very exciting journey. As we look forward, we expect;

- To deliver low-to-mid single-digit Revenue Growth rates by executing our growth strategies
- To Drive Adjusted EBITDA margin expansion toward achieving our target margin of 14% to 16%, in normal markets
- To achieve top quartile scores in our Annual Employee Engagement survey, including our front-line team members, while also advancing our key metrics in Diversity, Equity and Inclusion;
- To work through the Maple Leaf Centre for Food Security to see to it that Food Insecurity in Canada is reduced by 50% by 2030;
- To Deliver on our safety promise as Global leaders in Food Safety, Quality, People Safety and Animal Care;
- To Be Carbon Neutral, while continuing on our path to achieving our Science Based Targets and reaching 100% Sustainable Packaging
- And finally, we expect to deliver Total Shareholder returns that are rewarding to our investors.

To get where we want to go, we are implementing a new organizational design to drive focus, accountability and results as we turn to executing this refreshed Strategic Blueprint.

- First, we are bringing our Prepared Meats, Poultry and Plant Protein businesses together under a single Prepared Foods umbrella reporting to our recently appointed Chief Operating Officer, Adam Grogan. Adam has been with Maple Leaf for more than 25 years and is an outstanding leader. He is absolutely the right person to lead our core day-to-day business including both commercial and operations.

- Secondly, Casey Richards is the new President of our US Business and is responsible for driving growth in the US market. Casey has been with Maple Leaf for six years and brings a tremendous depth of North American food industry experience, having worked for some of North America's largest food companies.
- And our new CFO, David Smales, is yet another key addition to our leadership team. He joined us in January and beyond his strong financial acumen, he brings tremendous long-term strategic planning skills and a deep understanding of Canadian capital markets. He has the right background and the right experience to help us deliver results in this next phase.

As you know, we released our Q1 results this morning, delivering a solid quarter in line with our expectations, and a 55% improvement in Adjusted EBITDA year-over-year. Our net earnings were up, free cash flow improved, and capital construction costs came down by nearly 70% as we wrap up our capital projects. Another sure sign of progress.

Before I close today, I want to take the opportunity to acknowledge the extraordinarily talented team I am so fortunate to work alongside at Maple Leaf Foods. The people who are attracted to join us and build their careers here are inspired by our Purpose and our vision, they ignite our passion for what we do and they drive us to reach for bold goals. There really is no place like Maple Leaf and our people are the very reason I am filled with nothing but confidence as I look to the road ahead. I've truly never been more optimistic about Maple Leaf's future.

The opportunities ahead of us are tremendous, we are clear on what needs to be done, there is positive momentum building in our business, and I am confident that we are on the path to delivering.

The time has come for us to unlock the full potential of the Maple Leaf organization.

Thank you!

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