

OLYMEL CORPORATE SOCIAL RESPONSIBILITY REPORT



ANIMAL WELFARE: A MORAL OBLIGATION

Promoting the best treatment of animals

Animal welfare has always been a priority for Olymel. Accordingly, the company ensures that all necessary measures are taken to improve their comfort, reduce their stress, prevent injuries and avoid suffering.

Its animal welfare policy, adopted in 2012, requires employees and suppliers who handle live animals to undergo appropriate training and comply with applicable regulations and industry-recognized codes of practice to ensure animal welfare.

In order to better meet the high standards of animal welfare, Olymel also encourages initiatives aimed at improving husbandry, transportation, reception and slaughter practices. In addition, it promotes the adoption of the most advanced technologies and participates in applied research to contribute to the development of science-based animal welfare codes of conduct.

• Resources

In order to ensure that producers, suppliers and employees follow best practices, and to improve animal living conditions, Olymel has set up a team entirely dedicated to animal welfare.

• Training

Training and awareness campaigns for employees, suppliers and partners ensure that everyone who works with animals has the knowledge and skills necessary for animal welfare.

Monitoring

There is zero tolerance for any action that could violate the welfare of the animals or cause them to suffer. That's why Olymel closely monitors activities on its farms and in its slaughterhouses.

Improving practices

Olymel contributes to various initiatives to improve disease management, husbandry and slaughtering practices and the prevention of suffering. 9

ANIMAL WELFARE

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• **RESSOURCES**

Animal welfare staff are grouped into a single structure headed by a veterinarian who reports to the Vice President of Food Safety and Technical Services, who is also a veterinarian. The team also has Professional Animal Auditor Certification Organization (PAACO) certified members and can therefore conduct audits to improve the supervision of animal treatment.

The Olymel team ensures that all employees and suppliers who handle live animals comply with applicable federal and provincial regulations as well as industry-recognized codes of practice. It has implemented a program covering all aspects of animal welfare, based on the NFACC's codes of practice and the recommendations of Temple Grandin, an internationally recognized expert in the humane treatment of animals.

Olymel also assists each of its facilities in applying codes of practice, training personnel involved in handling animals, using equipment properly and designing spaces that take into account animal behaviour and well-being. There is zero tolerance for any action that may affect the welfare of live animals or cause them to suffer as well as any disrespectful behaviour toward animals, and such conduct may result in sanctions.

What is **animal welfare** and how is it regulated?

Animal welfare is based on the five individual freedoms:

 Absence of hunger, thirst and malnutrition: animals must have access to water and food in appropriate quantities and according to the needs of the species.

- Absence of fear and distress: animal raising conditions must not cause psychological suffering.
- Absence of physical and/or thermal stress: animals must have a certain level of physical comfort.
- Freedom from pain, injury and disease: animals must not be mistreated in any way that could cause pain or injury and must be treated if they become ill.
- Freedom of expression of normal behaviour for the species: their environment must be adapted to their species (they must be in a group if they belong to a social species, for example).

These five freedoms have led to the development of animal welfare assessment methods and to the definition of most national and international animal protection regulations. These standards and rules paved the way for codes of practice, such as those of the National Farm Animal Care Council (NFACC) in Canada, the implementation of which is overseen by national and provincial producer associations.



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• TRAINING

Operational guides

Operational guides. As part of its animal welfare program, Olymel has developed guides that present the essential practices expected of the various parties (husbandry, transportation, slaughter) in the pork and poultry sectors. These guides are designed to ensure that Olymel's employees and suppliers involved in handling live animals use consistent practices in all activities, whether on the farm, during transportation, upon reception or in slaughter plants. The following are some examples of measures to prevent stress and injury in slaughterhouses.

PORK	POULTRY			
Animals must fast for 16 to 24 hours before slaughter, since a hog that has fasted before loading is easier to handle, reducing the risk of injury or death.	Birds must not be lifted by the head, neck or wings.			
The use of electric prods is forbidden.	There must be sufficient ventilation in the reception area.			
Unloading ramps must be adjusted to avoid injury, floors should be slip resistant, lighting should not stun animals and noise must be kept to a minimum. Animals must move at their own pace without being jostled.	Misting must be used in hot weather.			
Access to water, misting during hot weather and sufficient space for animals to lie down are required in the reception area.	Lairage areas must have soft lighting and sufficient shelter.			
Injured animals must be examined by a veterinarian.	Lairage times should be as short as possible.			

Online training on hog welfare

Since 2018, Olymel has been offering online learning modules on animal welfare, hog behaviour and handling techniques to reduce stress in hogs.

The six training modules, each approximately 15 to 20 minutes long, were first implemented on corporate farms, then offered free of charge to slaughterhouses, partner farms and then to all Olymel suppliers who did not have such training. In addition to these six modules offered in English, French and Spanish, there will eventually be twelve videos on typical operations on hog farms.

This program provides standardized initial training to complement traditional on-the-job training. Easy access to the online modules allows for greater flexibility and better integration with workers' work schedules.

Training on poultry handling

Handling birds during transfer from poultry houses to slaughterhouses involves special procedures to avoid stress, injury and suffering. In 2021, Olymel developed an in-person training course of approximately one and a half hours offered to workers responsible for catching poultry, transporters, slaughterhouse personnel who handle live birds and poultry supply department personnel. Complementary to the courses offered by companies, this practical program, offered in English, French and Spanish, aims to show how to comply with regulatory and customer requirements and why, using concrete examples. In particular, it attempts to fill communication gaps and develop a more fluid business process among the sector's various workers.

See it? Stop it! program

Since 2015, Olymel has been carrying out awareness and training sessions to educate pork producers on implementing the See it? Stop it! program. This Center for Food Integrity initiative helps employees better understand their role in protecting animals and what to do if they witness abuse, neglect, mistreatment or mishandling.

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MONITORING

Hog farming

Pork producers are required to comply with the Canadian Pork Council's PigCARE program, which replaced the Animal Care Assessment (ACA) program in 2019. They must undergo a yearly audit by their provincial association, which evaluates their practices and requires them to correct any deficiencies. The Olymel team can also carry out audits in specific situations.

Poultry farming

Chicken farmers are required to follow the Chicken Farmers of Canada's Animal Care Program (ACP) and turkey farmers are required to follow the Turkey Farmers of Canada's Flock Care Program (FCP). Both programs lead to certification through on-farm audits conducted by trained and qualified auditors from their provincial association. In addition, random audits are carried out each year by a third party at Olymel's request.

Transportation

In the poultry sector, Olymel regularly audits teams that catch and cage poultry for transport to slaughterhouses. In addition, all hog and poultry transporters must be Transport Quality Assurance (TQA) or Canadian Livestock Transport (CLT) certified. These certifications are issued following training programs on safe animal-handling techniques and the application of appropriate biosecurity measures.

Slaughter

Olymel's slaughterhouse personnel are required to comply with the Government of Canada's guidelines for the humane care and handling of food animals at slaughter as well as certain standards, including those of the National Chicken Council for chickens, the National Turkey Federation for turkeys and the North American Meat Institute for hogs. In addition to systematically auditing its slaughterhouses to take corrective action when necessary, Olymel regularly commissions independent third-party audits at its facilities.

Surveillance cameras are used on a daily basis to observe handling activities, detect the causes of certain problems and support training activities in poultry slaughterhouses. Video monitoring is also carried out by an outside firm in the Red Deer, Vallée-Jonction and Saint-Esprit hog slaughterhouses. This ongoing monitoring service provides immediate feedback on any abuse.

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• IMPROVING PRACTICES

Olymel contributes to various initiatives to improve disease management, husbandry and slaughtering practices and the prevention of suffering.

Use of CO2

The CO2 anaesthesia system is one of the measures taken by Olymel to reduce animal stress and injuries, in addition to improving the work environment and meat quality. This type of controlled atmospheric stunning (CAS) causes animals to lose consciousness and become insensible before slaughter.

It all started in the spring of 2011, when Olymel and its partner Exceldor took a major first step in Canada by modernizing the turkey slaughter system at the Unidindon plant in Saint-Jean-Baptiste. The unloading of trailers is fully automated to avoid stressful handling of birds and injury. The cages containing turkeys are then automatically conveyed into a tunnel where the birds are stunned with CO2.

In recent years, through massive investments, Olymel has installed this system in almost all of its slaughterhouses: in five of its six hog slaughterhouses and in three of its four poultry slaughterhouses. While the system is the same for chickens and turkeys, hogs are led in small groups to a carousel where they are exposed to CO2.

Appropriate use of antibiotics

An animal's health is a major contributor to its well-being, which is why it's important to prevent and treat disease. Olymel recognizes the need for antibiotics, but advocates using them judiciously as recommended by experts in veterinary pharmacology.

Olymel therefore prohibits the use of antibiotics as a growth factor and favours a significant reduction in their preventive use. In hog production, Olymel encourages the gradual reduction of antibiotic use to acceptable levels while safeguarding animal health and welfare and favours individual treatment where applicable. In poultry production, Olymel supports the Chicken Farmers of Canada's position on the elimination of Category I and II antibiotics

for preventive uses and accepts the use of Category III antibiotics to treat birds, but recommends a significant reduction in this category for prevention.

Note that antibiotics are classified according to their importance in human medicine. Category I antibiotics, of very high importance, are reserved for the treatment of serious infections for which there is no other solution. Category II antibiotics, of high importance, treat serious infections for which other treatment options are available. This is followed by Category III, medium importance, and Category IV, low importance.

Antibiotic use targeted by Olymel

Since Olymel controls only 50% of its supply in the pork sector and 0% in the poultry sector, the following objectives cannot be achieved without the agreement and cooperation of livestock producers' associations.

	PORK				POULTRY			
CATEGORY	PREVENTIVE		THERAPEUTIC		PREVENTIVE		THERAPEUTIC	
	CURRENT	OLYMEL	CURRENT	OLYMEL	CURRENT	OLYMEL	CURRENT	OLYMEL
T	Prohibited	Prohibited	Last resort	Last resort	Prohibited	Prohibited	Last resort	Last resort
II	Reduction	Last resort	Reduction	Last resort	Prohibited	Prohibited	Reduction	Last resort
Ш	Reduction	Last resort	Reduction	Reduction	Under consideration	Last resort	Reduction	Reduction
IV	Authorized	Authorized	Authorized	Authorized	Authorized	Authorized	Authorized	Authorized

Olymel also participates in various research projects to reduce or eliminate antibiotics in raising animals, while ensuring food safety and maintaining affordable costs for consumers. Olymel is a partner of the NSERC Industrial Research Chair in metabolic activity and the functionality of bioprotective lactic cultures, whose work could lead to alternatives to using antibiotics in animal production. In collaboration with Université Laval and Agriculture and Agri-Food Canada, Olymel is also involved in a project to assess the effects of antibiotic alternatives on meat quality and safety, funded by the Canadian Food Innovation Network. In a broader context, Olymel contributes to the MAPAQ Research Chair on meat quality and safety (MuscULo) at Université Laval to develop a new generation of hygiene procedures to improve the quality of meat products.

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Loose housing for pregnant sows

In recent years, the confinement of pregnant sows in cages has been the subject of much debate and, as early as 2012, Olymel committed to using stalls that allow free movement of sows. Accordingly, it has started converting its corporate sow barn and encouraged its suppliers to do so. However, since replacing cages with a housing system that allows sows to move freely involves major changes, it will take until 2029 for all the hogs slaughtered at Olymel facilities (supplied by corporate farms and partner producers) to come from loose housing farrowing facilities.

Transportation and lairage areas

In recent years, a number of measures and much research have been carried out to reduce injuries and increase animal comfort. Some of these initiatives have also

contributed to improving working conditions and the safety of catching teams.

- Equipment to facilitate transferring birds to trailers.
- Installation of removable roofs on trailers along with temperature and ventilation sensors.
- Addition of doors and heating and ventilation systems in slaughterhouse lairage areas.

- Studies on improving the transportation of hogs in extreme temperatures to avoid mortality (in collaboration with the NSERC Industrial Research Chair in Swine Welfare).
- Studies on the use of route planning technology to reduce transport and lairage times for animals.

FERMES BORÉALES Strengths of the project in terms Strengths of the project in terms of animal welfare of sustainable development Best practices and state-of-the-art equipment and buildings Group sow barns favour a global and collaborative approach ensure animal well-being. to production while contributing to the development of the local Sows spend the majority of their lives in an open space, economy. In 2016, Olymel inaugurated its first collectively owned sow barn where they can come and go freely. in Fugèreville, located in Témiscamingue, kicking off a piglet The construction of sow barns is done with the support of local The concentration of sow barns in Témiscamingue, a region production model that meets the latest animal welfare, biosecurity communities. where there was no hog production previously, contributes and sustainable development requirements. Operated by Olymel, to herd health and biosecurity. The project promotes the circular economy: being located in an Fermes Boréales currently has five sow barns, each housing area with many grain producers means that manure can be used approximately 2,360 sows owned by different producers. The sows The all-in, all-out farrowing technique allows all farrowing units to fertilize land, and then the grain can be bought to feed sows. produce more than 325,000 piglets each year, which are then raised to be thoroughly cleaned, disinfected and dried between groups, by their owners. reducing the risk of disease. To learn more, visit the Fermes Boréales website



Animal welfare: African swine fever contingency plan

Olymel is particularly involved with the industry, the federal and provincial governments and various associations in preparing for an outbreak of African swine fever (ASF), a serious viral disease affecting hogs. Although it has not yet been introduced into Canada and is not dangerous to humans, ASF is spreading around the world, and a case was detected in the Dominican Republic in 2021.

In order to prepare for a potential outbreak in Canada, Olymel has developed a contingency plan outlining measures to reduce hog production and slaughter in the event of a border closure and to meet Canada's needs only. In addition, the plan describes the capacities of the various slaughterhouses should humane slaughter be necessary. Olymel is also very interested in all prevention activities and in zoning and compartmentalization initiatives, both of which allow for the rapid resumption of exports.