



SUSTAINABILITY REPORT 2022

ABOUT EGG FARMERS OF ALBERTA

Egg Farmers of Alberta (EFA) manages the provincial egg industry and represents Alberta's more than 170 egg farming families, who are proud to provide a stable supply of fresh, locally produced eggs. Visit eggs.ab.ca for more information.

Vision: Healthy Food, Healthy Farms, Healthy Families

Mission: Cultivating a sustainable egg industry together with farmers, consumers, and other stakeholders





About this Report:

EFA published sustainability reports for six consecutive years from 2015 through 2020, following the launch of our inaugural sustainability strategy in 2014. The EFA Board and management team worked with Stratos, a leading, values-based consultancy with more than 20 years experience in sustainability strategy and disclosures, throughout 2021 to develop a revamped sustainability strategy, which was launched at EFA's 2022 AGM.

This is the first published sustainability report related to our revised sustainability strategy, detailing our performance in 2022. EFA will provide a balanced view of our key successes and challenges in pursuit of the goals for the organization, the farmers we represent, and the broader provincial egg industry, that were identified as EFA's sustainability pledges.

In addition to building off our success over the previous seven years, EFA also wanted to better align our provincial sustainability strategy with international sustainability reporting standards and with the national egg industry's sustainability strategy developed by Egg Farmers of Canada (EFC). Our intention is to report annually on our performance implementing EFA's sustainability strategy and related initiatives.

Statement From EFA Leadership

In our inaugural sustainability report, we made a claim that Egg Farmers of Alberta is committed to narrowing the gap in understanding between farmers and consumers. We also stated that our goal was to help external stakeholders comprehend our values and programs, better understand their values and beliefs, and identify common ground to advance meaningful continuous improvement for the provincial egg industry. EFA's revamped sustainability strategy echoes those important sentiments, as underlying goals that are vital to building public trust and ensuring the egg industry will be sustainable for future generations.

The EFA management team and Board of Directors worked together to identify the key issues and areas of sustainability that directly and indirectly impact egg farmers and our industry partners, to ensure EFA's new sustainability strategy was broader and more far-reaching. It was crucial that our efforts would lay a sustainable foundation while allowing room for flexibility, given the quickly evolving nature of both shifting consumer demands and commercial requirements.

According to Peter Waldner, Chair of the EFA Board, "sustainable development meets the needs of the present without compromising the ability of future generations to work with, and meet, their own needs."

Alberta egg farmers have embraced the call to enhance the sustainability of the provincial egg industry, one farm at a time. Providing their fellow Albertans with a stable supply of fresh, high-quality, affordable, locally produced food is an awesome responsibility that the province's egg farming families take very seriously. For EFA and the egg industry, sustainability goes beyond helping farmers minimize their environmental impacts and reduce their carbon footprint.

Stephen Scott, EFA's General Manager, stresses that "setting sustainability goals is very important for the egg industry. The egg industry must take on initiatives today that ensure future egg producers can be economically viable, can deliver safe and affordable food to consumers, and can access new technology to decrease the industry's footprint, so egg farmers can continue to have a healthy market for their products."

Over the past seven years, EFA and Alberta egg farmers have been pioneers in sustainability within the Canadian egg industry. Looking ahead, EFA wanted a revamped sustainability strategy that could guide the provincial industry over the next 3-5 years, helping Alberta egg farmers take significant steps to enhance the overall sustainability of their individual farms and the industry as a whole.

EFA'S SUSTAINABILITY STRATEGY

Defining Our Priorities

When EFA decided to revamp our sustainability strategy in 2021, we wanted to build off the success and achievements from the previous seven years, which were informed by our inaugural sustainability strategy that had been developed in 2014. In addition to identifying and prioritizing sustainability issues that impact egg farmers and the Alberta egg industry, EFA wanted a provincial strategy that would compliment the national sustainability strategy developed by EFC. EFA also wanted to ensure that our approach to sustainability was more aligned with global standards for sustainability reporting.

Conducting Our Materiality Assessment

Stratos, a management consultancy specializing in sustainability, helped EFA conduct our materiality assessment. Stratos worked with the EFA Board of Directors and management team to redevelop our sustainability strategy, with an emphasis on six key characteristics of good quality disclosure: materiality, credibility, inclusivity, responsiveness, transparency, and accessibility.

EFA and Stratos conducted a comprehensive review of the sustainability issues impacting the egg industry, including an industry landscape scan, a SWOT analysis, and a review of industry stakeholder perspectives. This approach included international frameworks, restaurants, retailers, producers, processors, and other industry associations, which enabled Stratos to identify key areas of alignment, key gaps, and emerging issues and opportunities for EFA.

Our Sustainability Framework

EFA's approach to sustainability is built around our four pillars, which were adopted as part of our inaugural sustainability strategy in 2014 and continue to inform our actions as an organization. Healthy Birds is about egg farmers' dedication to caring for their layer hens, with the national Animal Care Program as the cornerstone. Healthy Eggs is about the industry's commitment to providing safe, fresh, local eggs, with the national food safety program, Start Clean – Stay Clean®, as the cornerstone. Healthy Farms is about egg farmers being responsible stewards of the land they farm, with the provincial environmental program, Producer Environmental Egg Program, as the cornerstone. Healthy Communities is about giving back, engaging the public, and collaborating with value-chain partners, to build public trust.

Building on the success of EFA's 2014 sustainability strategy, we have integrated the priority issues identified through our materiality assessment into EFA's revamped sustainability strategy. To cultivate a sustainable egg industry, EFA has made eight sustainability pledges that will guide our actions over the next 3-5 years and set the provincial egg industry on a more sustainable path.



EFA'S PERFORMANCE



Healthy Birds

Alberta egg farmers raise healthy birds. They are dedicated to the well-being and care of their laying hens.

Pledge #1: EFA will apply the highest standards of animal welfare throughout the hen housing transition taking place in our industry.

Highlight: EFA continues to fund research that contributes to supporting producers in managing welfare in alternative housing systems. With funding support from EFA and Results Driven Agriculture Research (RDAR), Dr. Ran Zhao, from the University of Alberta, is looking to characterize inhalable dust and particulate matter on Alberta poultry farms. He is building low-cost air quality sensors and evaluating their performance in the field. His research will provide knowledge that can contribute to developing air quality improvement strategies, particular in free-run facilities.

Healthy Eggs

Alberta egg farmers produce healthy eggs. They are committed to providing local eggs that are safe, fresh, and nutritious.

Pledge #1: EFA will strengthen the connection between consumers and the Alberta egg farmers who provide safe, fresh, nutritious, local eggs.

Highlight: EFA investigated options for developing an online hub for profiling all Alberta egg farmers, including potential data points that could be shared publicly to communicate egg production and supply details more transparently with consumers. A discussion paper will be developed and reviewed with the Board to determine next steps.



Healthy Farms

Alberta egg farmers operate healthy farms. They are responsible stewards who work to minimize their environmental impacts while operating economically viable farms, to ensure successful livelihoods. They are also devoted to fostering safe work environments.

Pledge #1: EFA will increase our understanding of climate change impacts and mitigations to future-proof Alberta egg farms.

Highlight: EFA has committed to increase our understanding of climate change impacts and adaptations to future proof Alberta egg farms. All One Sky Foundation has been contracted to conduct an industry impact, preparedness, and resiliency assessment for the Alberta egg industry. In addition to a producer survey, an interactive risk assessment workshop was held with the EFA Board, Research Committee, and Production Management Committee, to reflect on and rank key climate risks to the Alberta egg industry, and brainstorm potential mitigation opportunities.

An initial report summarized the potential consequences of climate change impacts and the vulnerability of egg farmers across the province, as well as potential adaptation actions for both individual egg farmers and EFA as an organization. The key climate impacts identified were:

- Heat stress on birds from prolonged hot temperatures
- Increased space cooling costs from hotter summers
- Damage to crops from extreme drought
- Long-term water shortage from exceptional drought
- Reduced air quality from wildfire smoke impacting birds during transport

While efforts to mitigate those risks will be ongoing over a number of years, preliminary actions will be integrated into EFA's 2023 Operational Plan.

Pledge #2: EFA will support alignment of farm safety programs to add value for Alberta egg farmers.

Highlight: EFA has established a goal to increase awareness and uptake of Alberta AgSafe's certification and training. A key tactic to achieve this is the alignment of EFA's Farm Safety Assessment with Level 1 AgSafe certification. A three-year implementation and education plan was developed to help egg farmers adapt to the changes at a manageable pace. The year-1 AgSafe/EFA Safety Assessment will build on the legacy Job Task Hazard Assessment framework, but will:

- Add elements related to Workplace Hazardous Information System (WHMIS) training
- Revise questions related to labelling, product information, and safety data, to better account for a broader list of potentially hazardous products and materials, and their methods of hazardous communication
- Expand the First Aid section to incorporate appropriate equipment and necessary training
- Place a renewed emphasis on documented training to improve the depth of understanding on both existing and new elements

Pledge #1: EFA will support the increased application of 'circular-economy' practices on Alberta egg farms to capture value and minimize environmental impacts.

Highlight: EFA was actively involved on several fronts to help facilitate the development of new opportunities for Alberta egg farmers to add value to their layer operation. A producer forum was created on EFA's producer portal, giving farmers a platform to discuss alternatives and success stories for capturing value from their chicken manure. EFA also contributed to Alberta Agriculture and Irrigation's 'Animal Biomass to Plant Nutrient Solution' project, which is investigating thermal hydrolysis as a method for converting spent hens into potentially value added opportunities such as animal feed, plant nutrient solutions, fertilizer, and bioenergy applications.





Healthy Communities

Alberta egg farmers contribute to healthy communities. They give back to their communities and play an important role in supporting local food systems and effective supply management.

Pledge #1: EFA will increase demand for Alberta eggs by improving consumer awareness of sustainable egg production.

Highlight: EFA started sharing stories about Alberta egg farmers who have already begun to utilize energy efficient technologies and adopt sustainable farming practices, via blog posts and social media channels. Similarly, EFA also started highlighting the challenges and trade-offs that exist for individual farmers and the egg industry, as we attempt enhance our sustainability in a balanced manner across a broad spectrum of factors.

Pledge #2: EFA and the province's egg farming families will positively contribute to the sustainability of communities across Alberta.

Highlight: While the province's egg farmers continued to be active and supportive in their local communities, EFA has developed a producer engagement strategy to help quantify the type and amount of contribution by Alberta egg farmers collectively. EFA also investigated potential sources of additional economic contribution data for the provincial egg industry. A communication strategy will be developed once sufficient contribution data has been gathered.

Cross-Cutting

Pledge #1: EFA will enhance on-farm data so Alberta egg farmers can monitor and improve farm sustainability performance, while preparing for expanded commercial requirements related to sustainability.

Highlight: EFA has committed to enhance on-farm data collection so Alberta egg farmers can monitor and improve farm sustainability performance, while preparing for expanded commercial requirements related to sustainability. A key piece of this is evolving PEEP from a management-based program to a performance-based program. EFA consulted with producers to gather their perspective on specific data that would be important to collect based on key metrics, and better understand potential barriers to gathering certain information. After reviewing the feedback and the key drivers of the carbon footprint of egg production/ EFC decided to work toward gathering data on electricity and natural gas consumption, production and/or use of alternative and renewable energy sources, the use of energy efficiency technologies on farm, feed consumption and inputs, water use, and use of by-products such as end-of-lay hens and manure.

In addition to being able to report on industry benchmarks and progress, the goal is to ultimately integrate the data collected into EFC's National Environmental Sustainability Tool (NEST), which would allow individual farmers to better understand key drivers of their environmental performance and compare themselves to their peers across the country. This will help populate NEST with a comprehensive data set for national benchmarking and performance improvement.

