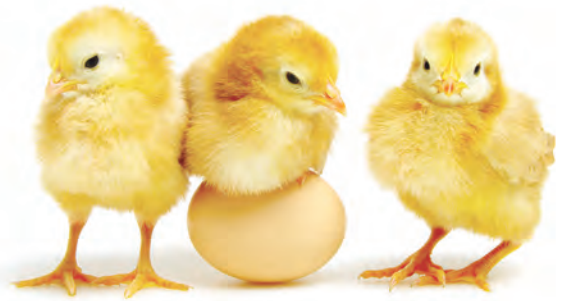




ANNUAL REPORT

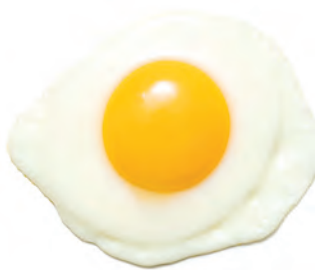


get cracking®
Egg Farmers of Ontario



Egg Farmers of Ontario is a farmer-run organization that manages the supply and orderly marketing of eggs so consumers can enjoy fresh, local, safe, high-quality protein produced under fair farm pricing.





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2021 Auditor's Report and Financial Statements printed separately.



MESSAGE FROM THE CHAIR



Ontario's egg and pullet farmers, like all Canadians, entered into 2021 hoping that the changes we made to cope with the COVID-19 pandemic in 2020 would become memories as vaccinations were rolled out and business and living conditions could start to go back to normal.

The reality we lived in was very different, of course, and we were forced to continue to manage under the difficult and unpredictable circumstances throughout all of 2021.

Continuing market volatility triggered a number of Board actions to manage the egg supply during 2021. Three rounds of the Early Fowl Removal (EFR) program, directed by Egg Farmers of Canada, were required in response to this market volatility, as a result of public health restrictions.

The Board also developed a program of Early Egg Removal, which directed some of the smallest sized eggs to alternative markets as an efficient way to help manage short-term supply issues. The operational details resulting from these Board decisions are included in this Annual Report.

Our marketing system has again proven it can manage production in a crisis. Throughout the pandemic, the system ensured a stable domestic egg supply for Canadians, while also delivering economic stability in our sector and rural economies.

For national consistency, the Board moved to change the delivery of audits on Ontario farms in 2021. In February, Egg Farmers of Canada (EFC) auditors began conducting pullet audits in Ontario. This was followed in September, with a move to transition the delivery of audit services for layer farms. Again, the operational details resulting from these Board decisions are included in this report.

Food bank donations were increased during 2021. Repeating action taken in the first year of the pandemic, EFO again increased donations of eggs to food banks (over and above our \$250,000 annual commitment) and also increased local funding to our 10 Zone committees to provide additional egg donations to local charities and organizations that are not members of the Feed Ontario network.

The Board welcomed Ryan Brown as our General Manager on March 1. Ryan joined us with some previous poultry-related experience; he faced a steep learning curve and has worked hard to learn our industry. The Board is pleased to have him on the team and are eager to work together moving forward.

The last item I want to briefly address is part of our continuing commitment to Board governance. As previously reported, the Board has embarked on a multi-year governance training program. With the assistance of Gay Lea Foods' *Leadership in Governance* program trainers, the Board participated in the first two modules of an 8-module program in March and June. The process also includes a regular assessment of the Board of Directors in their roles and the overall functioning of the Board to continuously improve its effectiveness.

I am sure we will continue to face challenges and I am confident we will work together to meet these head on to ensure the continued prosperity and strength of our industry in Ontario. As always, I would like to thank our farmers for the continued privilege to serve as Chair with a strong and talented Board of Directors, representing the ongoing interests of all Ontario egg and pullet farm families.

A handwritten signature in black ink that reads "Scott Helps".

Scott Helps, Chair

MESSAGE FROM THE GENERAL MANAGER



Egg Farmers of Ontario (EFO), like organizations, businesses and individuals everywhere, continued to deal with difficult operating and market conditions and a lot of uncertainty caused by COVID-19 during 2021.

My professional challenges changed in March with the privilege of being named General Manager. I assumed the role under conditions that mandated working on an almost entirely virtual basis and in fact, did not meet the majority of the Board of Directors until our first face-to-face meeting in December.

Through changing levels of provincial restrictions during the year, 2021 again saw EFO's staff continue to work under strict biosecurity and COVID-19 health and safety protocols. Our office staffing levels varied during the year to adhere to changing provincial and local health requirements. All Board and committee meetings were held virtually, with the exception of the December 2021 Board Meeting.

In terms of major projects, EFO continued to deliver on its multi-year digital strategy, EFOOnline, having started with the critical allotment process to egg farmers beginning in July 2021. In Q4 2021, the hatcheries and pullet farmers were onboarded to the new web-based portal. At this point, EFO has an integrated allotment process, with the hatcheries now working digitally on the contracting process.

EFOOnline provides the technology to efficiently leverage and scale workflows between farmers, hatcheries and the Board. This is a new way of doing things for all stakeholders and the Board is being very careful with the pace of change for everyone.

In the broader operations, staff changes took place following the departure of two long-term staff from Finance and Operations in the latter part of 2020 and during 2021. The finance position was filled with the hiring of a Finance Manager and an interim Operations Director was named late in the year in preparation for the amalgamation of Operations and Investigations in Q1 of 2022. In addition, a Director of Economics and Policy Development was hired in Q3. This new position will provide support through economic evaluation and scenario analysis, including potential impacts to the national system, in a number of areas.

From a planning perspective, the organization is just completing its current three-year strategic plan and work is beginning to develop our next three-year plan during 2022.

I want to thank the dedicated staff and Board for their efforts in a challenging year. My experience has been a transition in the presence of long-standing senior leadership always provides challenges and changes to navigate.

I am continuing to work hard to learn the egg industry and staff are key to supporting this progress.

A handwritten signature in black ink, appearing to read 'R. Brown', with a stylized flourish at the end.

Ryan Brown, General Manager

BOARD OF DIRECTORS & ZONE MAP

Lake Huron

Georgian Bay



ZONE 7

Director: Scott Brookshaw (EFC Representative)
Counties of Bruce, Dufferin, Grey and Wellington
Number of Egg Quota Holders: 62
Number of Layers: 1,835,517
Number of Pullet Quota Holders: 23
Number of Pullets: 1,990,662



ZONE 5

Director: Brian Miller
County of Huron
Number of Egg Quota Holders: 51
Number of Layers: 912,912
Number of Pullet Quota Holders: 11
Number of Pullets: 862,968



ZONE 2

Director: Lorne Benedict
County of Middlesex
Number of Egg Quota Holders: 51
Number of Layers: 612,701
Number of Pullet Quota Holders: 20
Number of Pullets: 1,508,979



ZONE 1

Director: Scott Helps (Chair)
Counties of Essex, Kent and Lambton
Number of Egg Quota Holders: 51
Number of Layers: 1,059,412
Number of Pullet Quota Holders: 12
Number of Pullets: 816,134

Lake Erie



ZONE 9

Director: Ian McFall
EAST: Counties of Dundas, Frontenac, Grenville, Lanark, Leeds, Lennox and Addington, Renfrew, the Regional Municipality of Ottawa and Carleton
NORTH: Territorial Districts of Ontario consisting of Algoma, Cochrane, Parry Sound, Kenora, Rainy River, Sudbury, Timiskaming and Thunder Bay
Number of Egg Quota Holders: 14
Number of Layers: 1,116,132
Number of Pullet Quota Holders: 6
Number of Pullets: 2,377,680



PULLET

Director: Alvin Brunsveld
Total Number of Pullet Quota Holders: 137
Total Number of Pullets: 11,806,584



ZONE 10

Director: Marcel Jr. Laviolette
Counties of Glengarry, Prescott, Russell and Stormont
Number of Egg Quota Holders: 50
Number of Layers: 1,473,596
Number of Pullet Quota Holders: 16
Number of Pullets: 927,307



ZONE 6

Director: Tonya Haverkamp
County of Perth, the Regional Municipality of Waterloo and the City of Waterloo
Number of Egg Quota Holders: 61
Number of Layers: 957,096
Number of Pullet Quota Holders: 25
Number of Pullets: 1,693,281



ZONE 8

Director: George Pilgrim
Regional Municipalities of Halton and Peel, the Counties of Haliburton, Hastings, Northumberland, Peterborough, Prince Edward, Simcoe and Victoria, the Regional Municipalities of Durham and York, and the District Municipality of Muskoka
Number of Egg Quota Holders: 22
Number of Layers: 524,371
Number of Pullet Quota Holders: 5
Number of Pullets: 343,145



ZONE 3

Director: Dan Veldman (Vice Chair)
Counties of Elgin, Oxford and that part of the Regional Municipality of Haldimand-Norfolk that, on the 31st day of March 1974, was the County of Norfolk
Number of Egg Quota Holders: 42
Number of Layers: 789,334
Number of Pullet Quota Holders: 7
Number of Pullets: 629,982



ZONE 4

Director: Roger Pelissero
County of Brant, the Regional Municipalities of Hamilton-Wentworth and Niagara and that part of the Regional Municipality of Haldimand-Norfolk that, on the 31st day of March 1974, was the County of Haldimand
Number of Egg Quota Holders: 29
Number of Layers: 666,015
Number of Pullet Quota Holders: 12
Number of Pullets: 656,446

EGG FARMERS OF CANADA DIRECTOR'S REPORT



Despite the ongoing challenges of the pandemic, we continued to move things forward for our industry. When lockdowns and disruptions occurred, consumers still had a steady supply of eggs.

We have known for a long time that supply management offers many benefits and one of them is the ability to manage production in a crisis. The future of egg farming is strong, even in the face of an uncertain future when it comes to labour shortages, recovery of the food industry and potential COVID-19 variants.

Innovation and research are central to Egg Farmers of Canada's (EFC's) Vision 2020 Business Plan. The Research Committee of EFC's Board of Directors continued to champion research funding priorities in 2021, which are closely aligned with the priorities identified under Vision 2020. This includes supporting innovative projects across the country under EFC's Research Grant Program.

EFC's research program provides a comprehensive approach to funding research and putting results into practice. As our Research Chair Network celebrated 10 years of excellence, they inspired new research projects through collaboration. Our four research Chairs, Dr. Maurice Doyon, Dr. Bruce Muirhead, Dr. Tina Widowski and Dr. Nathan Pelletier, met throughout the year to share updates and discuss new projects while moving forward on ambitious research programs. Drs. Pelletier and Doyon began work on a joint project involving a cost/benefit analysis of how extended production cycles can affect economic, environmental and animal welfare aspects on-farm.

EFC continued to support nutrition-focused research through our partnership with the Egg Nutrition Center, resulting in sound, science-based recommendations for policymakers and health professionals.



In 2021, the Canadian Poultry Research Council (CPRC) continued to manage 19 projects under the Poultry Research Cluster, an \$8.24 million investment from the Government of Canada. Current funding ends in 2023 and CPRC, along with the egg, chicken, turkey and hatching egg sectors, is in discussion with Agriculture and Agri-Food Canada to determine the amount and focus of the next iteration of the cluster.

Linking sustainability with innovation has proven to be essential in driving viable practices. Our work with researchers and experts has revealed important information around green technology that can be implemented directly on-farm. A key part of these endeavours was the development of the *National Environmental Sustainability Tool* (NEST). During 2021, the tool underwent significant development, with researchers and developers making strides in creating a resource that will allow farmers to measure, manage and benchmark sustainability on their farms. This tool will provide essential resources for farmers seeking to understand and improve sustainability in their day-to-day operations.

Roger Pelissero, EFC Chair, continued his work as a member of the Egg Industry Center Board of Advisors of Iowa State University, while also being on the Board for the International Egg Commission. These cross-border working relations are vital to our overall collaborative efforts within the egg industry.

Pandemic restrictions forced adjustment of our advocacy programs to ensure the issues facing egg farmers continued to be discussed with key decision-makers in government. Over the year, dozens of meetings took place connecting EFC with parliamentarians and other officials. EFC stayed connected with key stakeholders through continued written communications sent throughout the year. We hosted our annual spring advocacy days where we met with parliamentarians to discuss issues relating to trade mitigation support and sustainability initiatives. We joined representatives from the chicken, turkey and hatching egg sectors to discuss the United Nations Food Systems Summit with Agriculture and Agri-Food Canada along with the Ministers of International Development and Agriculture and Agri-Food. Discussions also took place with the Chief Veterinary Officer and the Canadian Food Inspection Agency to address national priorities in animal welfare, food safety and product labelling.



In April of 2021, the *Poultry and Egg On-Farm Investment Program* (PEFIP) was launched to provide mitigation funding to offset the impact of the *Comprehensive and Progressive Agreement for Trans-Pacific Partnership* (CPTPP). The program provides close to \$647 million over ten years and offers additional opportunities for farmers to reinvest in their operations and plan for the future, as they navigate the long-term market losses under the CPTPP agreement.

Leading up to the federal election, EFC took part in a number of advocacy initiatives to ensure the voices of all Canadian egg farmers were heard. In partnership with the chicken, turkey and hatching egg sectors, letters were sent to all major parties requesting that support for supply management be included in their election platforms, along with no further market access in future trade agreements.

We continued to advance Vision 2020, with the goal of becoming a world leader in per capita egg consumption. Part of that goal is facilitated by the strong support we see for farmers and for our product. Buying local eggs is important to Canadians and we continue to showcase the production of fresh, local eggs and the system that makes it possible.

Progress has also been made on the *Federal-Provincial/Territorial Agreement* (FPTA) renewal in 2021. The working committee had regular meetings to draft and reach a consensus on renewed FPTA wording and agreement. The committee took part in workshops and negotiations to ensure the strength of the new agreement and is close to providing a recommendation to the EFC Board, which is the first step in the signatory process. We anticipate the reviewed FPTA wording will be circulated in 2022. At the same time, we continued our positive working relationship with the Farm Products Council of Canada (FPCC) on the FPTA matter and other important files.

With food bank use on the rise and school closures affecting breakfast programs, egg farmers continued to offer a helping hand to communities across the country. Our sector donated 8 million eggs to food banks and other charitable organizations.

A milestone was achieved in 2021 with the completion of stage 1 of the redeveloped *Animal Care Program* (ACP). This undertaking to redevelop the ACP with requirements from the *2017 Code of Practice for the Care and Handling of Pullets and Laying Hens* has been ongoing for several years and includes the addition of a suite of new requirements and corresponding assessment measures to the ACP.

We continue to make significant progress in phasing out conventional hen housing systems. Based on early indicators and assuming current market conditions, EFC projects that conventional egg production will be phased out by 2031—five years ahead of schedule. Conventional production has dropped to 59 per cent of the total, with 25 per cent of production in enriched colony housing and 16 per cent in free range, free run and organic systems.

Looking into 2022, we must remain committed to the united approach that has served us so well these past two years. We pride ourselves in providing Canadians with a steady supply of high-quality eggs, produced according to some of the highest standards in the world. We are proud to be a part of Canadian lives when they enjoy breakfast, lunch or dinner and in providing healthy food for all Canadians.

To my colleagues across the country, I want to express my thanks for your ongoing dedication and commitment in what has been another challenging year. Success would not be possible without all your work, collaboration and effort. I also want to thank the farm families whose hard work and commitment make our industry strong.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Scott Brookshaw".

Scott Brookshaw, EFC Director, Ontario

PULLET DIRECTOR'S REPORT



Looking back on 2021, despite our world remaining mainly virtual, significant achievements have been made for pullet growers in Ontario.

Although the Ontario growing fee remained at \$2.50, other updates were made throughout the year. A daily fee of two cents per day for chicks placed on or after January 1, 2022 that remained in the pullet barn for longer than 19 weeks was announced to help cover the additional costs. Mortality allowances remained at 2.75 per cent for white birds and 4 per cent for brown birds. Farmers with lower percentages were encouraged to adjust their placements down proportionately, as this program was not intended for yielding surplus birds. Special layer lease fees were increased to \$16 for conventional and enriched, \$20 for free run and aviary and \$25 for organic birds.

As part of EFO's digital transformation project, all Ontario pullet growers were invited to EFOonline webinar sessions in November 2021, to learn how to access and navigate the portal and demonstrate the tools available. This database will simplify the tracking of pullets and create efficiencies in planning and reporting. Work to implement this new digital tool will continue as new phases of the project are completed.

Looking ahead, efforts are underway for a Cost of Production (COP) survey for Ontario pullets and EFO staff are exploring potential companies to take on this project. In addition, work has begun on programs designed to promote growing pullets in Ontario, to help overcome the obstacle of the Ontario pullet sector historically not keeping pace with the layer sector.

The Board also formed a Contract Committee and Pullet Promotion Committee - both of these committees look to bring plans forward in the coming year.

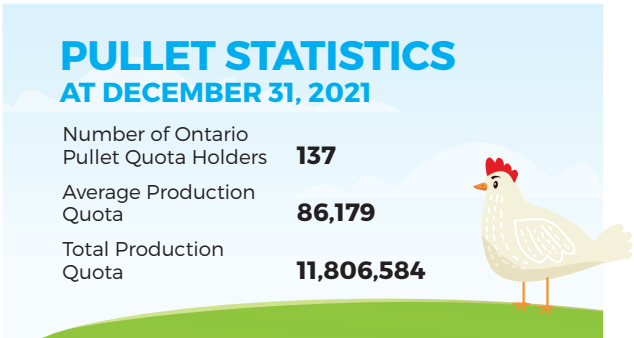
Ontario supports the work of Pullet Growers of Canada (PGC) and progress continues to be made on efforts at the national level to address some concerns faced by pullet growers.

The development of a Code of Practice and standards for pullet care is an extremely important mandate for PGC. On April 19, the first meeting of a special committee was held, in collaboration with Egg Farmers of Canada's Production Management Committee, on the creation of standardized audit methods and procedures for pullet barns. These standard procedures will help ensure that all pullets are raised according to the same animal care standards.

In addition to work being done on animal care, attention to government relations has also been important. With pullets being excluded from the *Comprehensive and Progressive Agreement for Trans-Pacific Partnership* (CPTPP) mitigation announcement, PGC has been working with provincial counterparts to bring this issue to the attention of the federal government. A letter regarding the lack of mitigation funding was submitted by PGC to the Hon. Marie-Claude Bibeau, Minister of Agriculture and Agri-Food, which was also supported and signed by EFO in July 2021. This issue has highlighted the need for ongoing government relations activity and PGC will continue to advocate on behalf of pullet growers.

I truly appreciate all the effort in moving significant projects forward in several key areas to support Ontario pullet growers. I am grateful for the opportunity to represent the pullet growers across Ontario - together I know we will continue the important work of providing the highest quality pullet through our collective commitment and care.

Alvin Brunsveld, Pullet Director



2021 ONTARIO EGGS BY THE NUMBERS

570

NUMBER OF ONTARIO
EGG AND PULLET
QUOTAS HELD

100

PER CENT OF EGG
PRODUCTION
HACCP-CERTIFIED

76.97

PER CENT VOLUME
OF ONTARIO EGG
PRODUCTION TO THE
TABLE MARKET

45.45¢

Levy Administration

the amount of Ontario's egg levy
deducted from farmers

4,413,131

Ontario Industrial Product

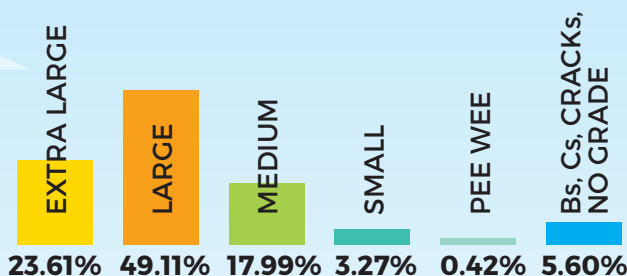
the number of 15-dozen boxes

493,086

Ontario EFP

the number of 15-dozen boxes

ONTARIO'S AVERAGE EGG GRADING BY SIZE %



AVERAGE PRODUCER PRICES: 2017 TO 2021

SIZE	2017	2018	2019	2020	2021
Extra Large	\$1.96	\$1.96	\$2.06	\$2.08	\$2.28
Large	\$1.96	\$1.96	\$2.06	\$2.08	\$2.28
Medium	\$1.75	\$1.75	\$1.84	\$1.84	\$2.00
Small	\$1.35	\$1.35	\$1.44	\$1.44	\$1.60

EGG QUOTA

9,947,086

the amount of Ontario's
hen allotment

22,972

the average production
quota for egg quota holders

10,346,848

the average weekly inventory

323,962

the amount of egg quota
transferred

PULLET QUOTA

11,806,584

the amount of Ontario's
pullet allotment

86,179

the average production
quota for pullet quota
holders

216,660

the amount of pullet
quota transferred

NUMBER OF ONTARIO LEVIABLE EGGS GRADED

(INCLUDES EGGS
FOR PROCESSING
[EFP])

3,536,490,060

CORPORATE AFFAIRS REPORT



In 2021, the Corporate Affairs (CA) Department continued to pivot and respond to ever-changing public health guidance to ensure our organization operated effectively and provided safe working environments for our staff.

COVID-19 Impacts

Although staff became familiar with virtual meetings during the previous year, an increase in meeting and webinar requirements meant CA staff had to once again quickly become experts on providing engaging virtual venues.

In 2021, Zone election meetings were conducted virtually for the first time and provisions were made to ensure a fair and equitable election process. In addition, the Annual General Meeting was held as a one-day webinar in March, along with three summer updates and EFO online training sessions in June, July, September and November. Also in November, the Egg and Pullet Farmers' Workshop was held via Zoom and included breakout sessions to encourage round-table-type discussions. Finally, regular Board, committee and EFO staff meetings were facilitated through virtual formats.

EFO staff continued to rely on Corporate Affairs to assist with implementing workplace public health guidance, as well as the tools required for remote/hybrid work environments. Compliance with workplace public health guidelines included regular monitoring and scheduling of in-office staff, provision of personal protective equipment (i.e., gloves, masks and sanitizer) and updating office and meeting spaces to adhere to maximum capacities throughout ever-changing regional and provincial health guidelines. In addition, a new voice-over-internet protocol (VoIP) phone system was implemented, which offers seamless phone access for staff whether they are in the building or working remotely. In anticipation of an eventual return to in-person, the boardroom was renovated to better facilitate virtual, hybrid and in-person meetings.

Corporate Communications

A key function of the department is to ensure farmers, stakeholders, Board and staff are always kept up-to-date with information and this was especially true in 2021. A variety of communications were sent to farmers and stakeholders throughout the year including Board Meeting summaries, policy

updates and meeting details. Corporate Affairs continued to ensure pertinent communications were translated and all new and amended policies were communicated and filed as per our regulatory obligations.

Internally, Corporate Affairs worked to ensure EFO staff were kept informed of upcoming meeting schedules, farmer communications, industry happenings and training requirements throughout 2021. This included staff updates by the General Manager through email and virtual meetings.

Human Resources

With the hiring of People Management Group (PMG) as our human resources (HR) consultants, many changes were made to existing processes and protocols. Corporate Affairs assisted PMG with the training of staff on the new HR software and facilitated staff training assignments through the FeatherSafe software program. Training topics included Workplace Violence, Harassment and Bullying; Worker Safety Awareness; *Accessibility for Ontarians with Disabilities Act*; and monthly safety talks.

In addition, the staff *Code of Conduct* was updated and included in a newly revised *Egg Team Handbook* distributed to staff during 2021 and pay stubs went paperless with the switch to electronic versions.

From a staffing perspective, Corporate Affairs provided support for the onboarding of all new staff to ensure a smooth transition, including orientation for a new General Manager in March and two new Board Directors in April.

In May, Corporate Affairs facilitated an employee engagement survey and results were shared with EFO staff later in the year. In addition, a return-to-office survey was also organized during a time when COVID-19 cases had dropped considerably, to gauge staff comfort levels with returning to the workplace.



Above: EFO's boardroom was updated during 2021 and will be completed in 2022.

Governance Training

With the assistance of Gay Lea Foods' *Leadership in Governance* program trainers, EFO's board governance training got underway early in 2021. Module 1, which focused on Board Roles and Responsibilities, was held virtually in March 2021. The second module, Strategic Planning, was held in June. These sessions were the first two modules in a multi-year training program the Board is embarking on. In addition to this training, the Board *Code of Conduct* was reviewed and finalized as part of EFO's *Governance Policy*.

Social Responsibility

With food bank usage increasing dramatically as a result of the economic impacts of COVID-19, EFO continued with the *Food Bank Egg Donation Program* with Feed Ontario and Ontario graders. This program provides an annual donation of \$250,000 worth of eggs to Feed Ontario to be distributed to its member food banks across Ontario. Burnbrae Farms and Gray Ridge Eggs continue to participate in this program.

Strategic Planning

Another important role of Corporate Affairs is to guide the Board and staff through the annual strategic planning process. 2021 marked the second year of our 3-year strategic plan and CA worked with all departments to ensure clear communication of progress on the Board's strategic priorities. Monthly progress reports were prepared with a colour-coded green, amber and red status by each department for internal tracking and six-month and year-end reports were provided to the Board. The 2021 Key Achievements report was prepared and distributed to farmers and industry, outlining progress in EFO's five key focus areas. Finally, the Corporate Affairs and Public Affairs departments collaboratively led the Board and staff through the development of the 2022 Business Plan.

IN 2021, EFO'S PARTNERSHIP WITH FEED ONTARIO RESULTED IN:

130+

Local and community food banks across Ontario that received fresh Ontario eggs through the *Food Bank Egg Donation Program*.*

1.7 M+

Eggs delivered to Ontario food banks.

537,000+

Adults, children and seniors reached through this program.

* from feedontario.ca



REGULATORY AFFAIRS, QUOTA AND INFORMATION TECHNOLOGY REPORT



Throughout a year filled with global instability, EFO's Regulatory Affairs, Quota and Information Technology Department worked diligently to shift practices to more efficient digital processes as part of our multi-year digital transformation project.

EFOOnline

Significant progress was made on EFO's new web-based platform, EFOOnline. Phase two of the information technology system upgrade was successfully implemented and the target of onboarding hatcheries and growers to the platform was achieved.

The functionality of EFOOnline was demonstrated to farmers through the offering of three webinars for layer farmers and two webinars for pullet growers. All reporting for layer farms is now done through the online portal and as progress is made on the platform, operational efficiencies and productivity will be significant benefits to all users.

One of the first objectives of this digital communication strategy for allotments was implemented with the launch of the portal in July and EFO staff, egg and pullet farmers, as well as hatcheries, began communicating through the portal in November.

In addition to being able to have reliable inventory data, EFOOnline will also help identify potential issues for future flock verifications to help maintain the integrity of our industry.

For 2021, hen utilization was 99.75%. Staff will continue to monitor and review *Home Week* placements and change requests, to ensure farmers follow established policy while we collectively work to supply the market effectively.

Quota Transfer System (QTS)

Several achievements were reached related to the Quota Transfer System (QTS) in 2021. In particular, policy development and the 30% quota pool for small-scale farmers have been successful and it is expected that all farmers in this pool will reach 1,800 birds by early 2022. This work will lead to the ability to open the QTS to new entrants in 2022.

A roundtable discussion regarding the QTS was held during the November workshop, where farmers were provided with background information helpful to the discussion. Breakout discussions included:

1. Should the QTS have a set price? If yes, what should it be?
2. What is working or not working with the QTS? What are the suggestions for improvement?

Staff will continue to review the data and use it to support policy reconsiderations by the Board.

Policy Updates

Significant work was undertaken in 2021 to review EFO's policies and regulations. Although not set to become effective until January 2022, several policy-related changes were approved during 2021, which were published in *The Cackler* and posted to EFO's website.

Under *General Regulations*, the interpretations and definitions have been updated along with the application of the *Good Standing Policy*. In addition, EFOOnline and digital processes to support the Board's communication strategy with farmers have also been included.

A variety of changes related to the *Egg Quota Policy* were made, including removing repeat definitions and aligning reporting dates that follow the new integrated hen order process. The *Quota Maintenance* section was updated to provide the specific conditions that may result in quota cancellation to minimize inactive quota throughout the sector. Finally, sanctions are included should a buyer default on quota payments or if those payments are delayed.

Updates to the *Pullet Quota Policy* include new mandatory information requirements for newly-approved registered premises, regulations surrounding underutilized production quota not being eligible for a rebate through the *Pullet Leasing Pool* if pullets come from outside of Ontario and any quota sold during the year will be available for the buyer's use, not the seller.

Related to the *Flock Allotment Policy*, integrated hen order times have been clarified.

Changes to the *Pullet Leasing Pool Policy* include two and 10-week reporting requirements and implications for pullets sourced outside of Ontario.

Amendments to the *Quota Credit Policy* included clarification regarding honoring all quota credit types recognized by EFC and the administration of quota credits to include short placement and flock realignment credits.

Under the *Special Layer Lease Policy*, only pullets grown in Ontario will be eligible for EFO programs and lease rates were amended.

EGG PRODUCTION BY ZONE: AT DECEMBER 2021

ZONE	NUMBER OF QUOTA HOLDERS	TOTAL EGG PRODUCTION QUOTA	AVERAGE EGG PRODUCTION QUOTA
1	51	1,059,412	20,773
2	51	612,701	12,014
3	42	789,334	18,794
4	29	666,015	22,966
5	51	912,912	17,900
6	61	957,096	15,683
7	62	1,835,517	29,612
8	22	524,371	23,835
9	14	1,116,132	79,724
10	50	1,473,596	29,472
TOTAL	433	9,947,086	22,972

PULLET PRODUCTION BY ZONE: AT DECEMBER 2021

ZONE	NUMBER OF QUOTA HOLDERS	TOTAL PULLET PRODUCTION QUOTA	AVERAGE PULLET PRODUCTION QUOTA
1	12	816,134	68,011
2	20	1,508,979	75,449
3	7	629,982	89,997
4	12	656,446	54,704
5	11	862,968	78,452
6	25	1,693,281	67,731
7	23	1,990,662	86,551
8	5	343,145	68,629
9	6	2,377,680	396,280
10	16	927,307	57,957
TOTAL	137	11,806,584	86,179

OPERATIONS REPORT



The global pandemic impacted all businesses universally. In the egg industry, increased government restrictions and changing health protocols made for an unpredictable operating environment. Despite this, Egg Farmers of Ontario's (EFO's) Operations Department was able to effectively continue to work towards reaching their goals and objectives.

On-Farm Food Safety and Animal Care Program

Over 450 inspections were completed during 2021. All farms had successful audits and follow-ups as required for the *On-Farm Food Safety and Animal Care Program*.

In order to ensure only safe, high-quality eggs are marketed, 1,550 Salmonella enteritidis (Se) samples were taken. In late July, new testing protocols were implemented at the Animal Health Lab in Guelph, which led to results being available quicker.

Market Conditions

As reported throughout the pandemic, the egg market was volatile, especially on the processed egg side. Shell egg consumption continued strong throughout the pandemic because of increased at-home use, but changes in business processes and COVID-19 restrictions and closures within the restaurant industry created a net downward trend in that part of the market for the majority of the pandemic.

This market volatility triggered a number of actions to manage the egg supply during 2021. The second round of the Early Fowl Removal (EFR) program, originally implemented in December of 2020, continued into the first quarter of 2021 and those efforts had the desired impact of reducing eggs in storage. Further stay-at-home orders in the spring of 2021 triggered two other rounds of EFR through to the late summer.

EFO also successfully introduced a program of Early Egg Removal, which directed some of the smallest sized eggs to alternative markets as an efficient way to help manage short-term supply issues. This pilot program resulted in significantly lower costs than EFR and adds another tool to manage egg supply going forward.

2021 HOUSING STATISTICS*

HOUSING TYPE	NUMBER OF PULLETS	% PULLET PRODUCTION	NUMBER OF BARNs	NUMBER OF LAYERS	% LAYER PRODUCTION	NUMBER OF BARNs
Conventional	8,698,169	79%	111	6,620,769	60.5%	304
Enriched	--	--	--	2,529,333	23.13%	165
Aviary	1,515,843	14%	26	1,185,625	10.84%	46
Free Run	767,033	7%	64	485,852	4.44%	49
Organic	--	--	--	641,849**	5.87%	40
Free Range	--	--	--	666,404**	6.09%	45

* Birds in barns

** Percentages for organic and free range are also included in free run or aviary data



During 2021, Egg Farmers of Canada inspectors began conducting pullet and layer farm audits in Ontario.

Transitioning Audits to Egg Farmers of Canada

In February, Egg Farmers of Canada (EFC) inspectors began conducting pullet audits in Ontario. To make this transition easier for pullet growers, two virtual information sessions were held on February 22 and 23, with more than 100 pullet growers participating. EFO Inspectors followed up individually with those who were not able to take part in the sessions. In April of 2021, EFO's Board approved a motion to transition the delivery of audit services for layer farms in Ontario to EFC and as a result, this change was made in September 2021. To prepare for the transition of audits from EFO to EFC, two additional staff from NSF International were brought in to provide support in Western Ontario. EFO Operations staff continued to handle the follow-up of Corrective Action Requests (CARs) after completed audits and ensured that farms that failed to close CARs within the designated time had their eggs held or sent to alternative markets until compliance was achieved.

Biosecurity and Emergency Response

Collaboration between EFO staff and the other three poultry boards that work together through the Feather Board Command Centre (FBCC) remained strong with ongoing support during 2021. As was the case in 2020, heightened biosecurity measures were implemented several times during the year related to Infectious Laryngotracheitis (ILT) cases in a number of areas across Ontario.

EFO and FBCC updated their *Emergency Management Plans* to better reflect each other's areas of responsibility and protocols.

To ensure our emergency response capacity is maintained, new Operations staff took part in training for Incident Management Systems 100.

Inspection staff continued to follow public health guidelines and COVID-19 protocols when on-farm, including daily screening and the wearing of masks. Farm visits continued throughout 2021 for essential purposes only, such as to conduct audits and Se testing.

Investigations Unit

Investigating the illegal movement and processing of eggs, pullets, chicks and fowl was a priority during the year. The work of the unit involved inspection of 175 non-quota farms and small graders and the completion of 10 investigations resulting from public complaints.

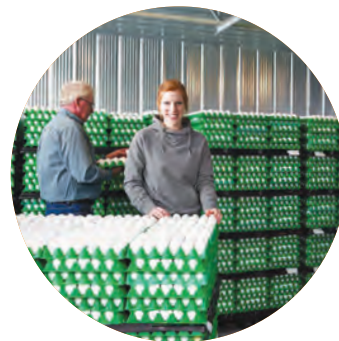
Assistance was provided during the year to a variety of organizations related to animal welfare and illegal activities. This included providing support to the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) on executing two search warrants related to the marketing of ungraded eggs. Staff also worked with Provincial Animal Welfare Services (PAWS) staff to collaborate on training resources for small farm visits and discussed potential opportunities for future projects.

Flock Verification

Throughout 2021, the Investigations Unit successfully conducted four flock verifications, from day-old chicks to spent fowl, in a variety of housing systems.

The addition of EFOOnline as a tool during 2021 allowed for better communication and efficiencies to improve flock verifications, including the ability to identify potential problems for future verifications. This new system allowed EFO staff to begin working with hatcheries and breeder flocks to verify reporting and movement of eggs, chicks and pullets in a more accurate way. In addition, Investigations Unit staff continued to visit pullet growers and broker-dealers during 2021 to verify production numbers.

RESEARCH REPORT



Egg Farmers of Ontario (EFO) is proud to support the following research projects that lead to innovation and improvements within the egg and pullet sector.

Conversion of poultry mortality hydrolysate to lactic acid, a building block for renewable bioproducts

Dr. Brandon Gilroyed

**School of Environmental Sciences
University of Guelph**

Ambient alkaline hydrolysis is a poultry mortality management strategy that solubilizes and stabilizes deadstock in a nutrient-rich liquid form. In this project, they are investigating using this liquid as a nutritional media for industrial microbes producing lactic acid. Lactic acid is a platform chemical that can be used to sustainably create products, such as bioplastics, that are traditionally sourced from fossil fuels. Specifically, hydrolysate is being used as a complex nitrogen source to replace expensive conventional nitrogenous media components such as yeast extract. To date they have demonstrated lactic acid production with two different bacterial species and one fungal species, alone and in co-culture, using hydrolysate in comparison to traditional media sources. In addition, they are investigating upstream best practices for preparing poultry hydrolysate for use as a microbial media component.

Impact of different housing systems on eggshell cuticle quality and bacterial adherence in table eggs

Dr. Maxwell Hincke

**Department of Cellular and Molecular Medicine
University of Ottawa**

The goal of this study was to determine the impact of conventional, enriched, free run and free range hen housing systems on eggshell cuticle parameters and the eggshell bacterial load. Since this is a comparative study to evaluate the effect of differences, researchers worked closely with industry partner Burnbrae Farms Ltd. to obtain unwashed eggs from Lohmann white and brown hens at mid-lay. The cuticle and pore plugs were characterized and the chemical composition was determined.

Three conclusions from this study are:

1. The cuticle plug thickness and pore length were higher in

free range eggs as compared to conventional eggs. Therefore, the characteristics of the cuticle plug is modified by housing system. This study validated previous findings that the inner surface of the pore plug was consistently chemically different from the surrounding eggshell mineral composition in eggs from different housing systems.

2. An inverse correlation between cuticle surface hydrophobicity and Salmonella adherence was observed, indicating that a more complete cuticle reduced Salmonella adherence and therefore diminished the risk of contamination. These results suggest that housing systems can impact the cuticle parameters and therefore influence bacterial adherence.

3. Eggs from alternative systems (enriched and free range) had a thicker cuticle as compared to those from conventional housing and therefore are better protected against bacterial contamination. Lower bacterial adherence was observed on eggshells that were obtained from free range eggs as compared to the enriched systems. Additional studies are necessary to address possible variability due to differences within housing systems at farm level, with a target to evaluate eggs from multiple farms within barn types. This information will be beneficial to poultry producers for transition from conventional to alternative housing, as it will provide objective data for the selection of suitable housing systems.

For the first time, it has been found that hydrophobicity can be used as a measure of the cuticle quality and predict the susceptibility for bacterial adherence. These results can be used to develop new tools to maintain the food safety of table eggs.

Modified eggshell membrane formulations as a novel supplement to maintain gut health

Dr. Maxwell Hincke

**Department of Cellular and Molecular Medicine
University of Ottawa**

Billions of eggs are produced in Canada every year, with 30% of eggs produced processed at egg breaking plants, generating low value eggshell (ES) and eggshell membrane (ESM). This



waste is currently disposed of in landfills, negatively impacting the environment. However, ESM waste has various bioactivities and is suitable for many applications. In vitro studies have previously demonstrated that processed ESM powder and its carbohydrate fraction possess immunomodulatory effects in a lipopolysaccharide (LPS)-induced inflammation model. Although there is evidence of the positive impact of ESM on gut health, specific processing approaches to yield active ESM material and its mechanism of action remains unclear. The primary objective of this project is to produce ESM formulations to target gut health. Antimicrobial components of ESM can function as adjuvants to enhance host immunity against foreign antigens, thus altering gut health.

Key takeaways:

- Egg shell membrane (ESM) digestion using different concentrations of acids, bases and enzymes, at different temperatures, can change the material characteristics of partialized eggshell membrane (PEM) and its biological and chemical activities.
- The digested ESM activities are predicted to have a positive impact on gut health by modulating the gut microbiome.
- Digested ESM hydrolysates can also modify the gut immune system, for example, via new bioactivities like enhanced anti-inflammatory activity. Results show significant increase in PEM anti-inflammatory and antioxidant activities after chemical hydrolysis.

Wing use and disuse hypothesis: the missing link to understand keel bone damage in laying hens

Dr. Alexandra Harlander

**Campbell Centre for the Study of Animal Welfare
University of Guelph**

The overall objective of the project will be to determine whether wing use and/or disuse during rearing leads to keel bone damage (KBD) in adulthood. A series of focused experiments were conducted to address various questions.

- **Completed:** Researchers hypothesized that pectoral and leg muscle use changes will be related to KBD, and that trained wing muscles protect laying hens from KBD. Preliminary results show differences between strains, with brown-feathered birds having a larger right pectoralis than white-feathered birds. Furthermore, both the left and right pectoralis were found to decrease in size one month after their wing feathers had been clipped, potentially due to a reduction in wing activity. Additionally, to study the flight aerodynamics and whether symmetric wing damage will impact flight performance, measures of high-speed videography were collected. Descent angle did differ between the half-clipped and full-clipped hens, with the half-clipped hens having a lower descent angle and traveling farther outward before landing. The variation in descent angles increased as more feathers were clipped. Data analysis is ongoing.
- **Completed:** Preliminary results showed no significant differences in pectoral muscle thickness for left-wing bandaged birds. For right-wing-bandaged birds, white-feathered hens showed a significant decrease in right pectoralis muscle thickness over four weeks.
- **Ongoing:** Hypothesis is that birds transferred from a restrictive to complex environment will be at higher risk of KBD. 120 birds (60 Lohmann selected leghorn/60 Lohmann brown) will be reared in a single-tier system for the first 18 weeks, then transferred to a multi-tier system. 120 of the same type of birds will be reared in a commercial combi-style furnished system for the first 6 weeks, then transferred to a non-commercial multi-tier system. Researchers predict that such restriction results in fearful birds, as injury precedes fear development, reduced mobility and increased risk of KBD. A second prediction is that transfer from a complex to non-complex environment will have opposing effects - decreased KBD risk, lower energy costs and reduced fearfulness.

PUBLIC AFFAIRS REPORT



The Public Affairs Department worked diligently to build and maintain Ontario consumers' trust in the eggs they purchase and the farmers who produce them. Active promotion of farmers, recipes and the exceptional nutrition of eggs were fundamental elements throughout all of our activities during the year.

ADVERTISING

The second year of the *Real Farmers. Real Eggs.* (RFRE) campaign was delivered in two dynamic in-market flights of six weeks, post-Easter and again in mid-September. The campaign featured the Bos family from Zone 5 and the Laver family from Zone 8. Creative executions for this flight included taxi tops, digital ads in buildings and grocery stores, pre-roll and streaming digital ads, social media outreach and radio audio tags. Traffic tags were placed on 18 radio stations in the Greater Toronto Area (GTA), plus 33 stations throughout the province. EFO garnered over 150 million impressions throughout the two flights of the campaign. The RFRE campaign video was updated and relaunched with our new families on social media and digital pre-roll ads.

To leverage our *Real Farmers. Real Eggs.* campaign in year two, a micro-moments landing page (getcracking.ca/real-moments) was launched and a monthly portion of our paid social media content was used to drive consumers to this new page. With content changing every month, this page is another opportunity to engage consumers with our recipes, activities, frequently asked questions and farmer stories.


On February 8, Tim Hortons launched a new advertising campaign to promote their shift to the use of freshly cracked eggs in their egg menu items, featuring the *Egg Quality Assurance™ (EQA®)* logo. To support this campaign, Egg Farmers of Ontario and Fédération des producteurs d'œufs du Québec partnered with Tim Hortons to further extend their promotion of freshly cracked eggs and to showcase farmers in their ads. Two third-generation egg farmers and their families were featured in the second flight of the campaign – Julie Wynette (Zone 3) from Tavistock, ON and Jacques Cloutier from Lévis, QC. These ads, launched on July 12, show the care that is behind producing the high-quality eggs that go into the popular breakfast wrap and connect it with the care that Tim Hortons puts into making it. Ads for the final flight of the campaign promoted their new steak and egg sandwich, with the Ontario ad featuring Scott Graham (Zone 6). This ad was filmed using a similar style as the previous ads and makes the connection of Canadian farmers providing the eggs and beef that go into every Tim Hortons steak and egg sandwich.

Right: A micro-moments landing page, created as part of the 2021 RFRE campaign.



REAL FARMERS. REAL EGGS.

→ Bos Family, Egg Farmers  Huron County, Ontario

 getcracking.ca



Top: The Bos family featured in their taxi top ad.

Above Left: Behind the scenes filming with Zone 3 egg farmer Julie Wynette for the Tim Hortons freshly cracked promotion.

Above Right: Zone 10 egg farmer Jessica Longtin featured in the Ottawa Fields to Forks program.

Right: Advertorial that was featured in Foodism magazine.



A VERY GOOD EGG

When you buy eggs from your grocery store, you're guaranteed a fresh, high-quality product produced by one of the 500 real farm families we use the province.

When you buy eggs from your grocery store, you're guaranteed a fresh, high-quality product produced by one of the 500 real farm families we use the province.

SQUASH EGG BAKE

Ingredients:

- 4 eggs
- 1/2 cup milk
- 1/2 cup cheddar cheese, shredded
- 1/2 cup onion, finely chopped
- 1/2 cup squash, finely chopped
- 1/2 cup breadcrumbs
- 1/2 cup salt
- 1/2 cup pepper
- 1/2 cup olive oil

Instructions:

- Preheat oven to 375°F.
- Beat eggs in a large bowl with milk and salt.
- Add onion, squash, and breadcrumbs.
- Stir in cheese and pepper.
- Form into patties and cook in oil.
- Serve hot.



The August/September flight of the *Fields to Forks* campaign with CTV London featured the Graham family. This program shares agricultural stories with consumers through video, online advertising, pre-roll video and online advertorials. Three radio segments on CJBK News 1290 Radio's *Ask An Expert* program were also part of the campaign and featured Scott and Brett Graham (August 25), Julie Wynette (September 8) and Anneke Stickney (September 22).

EFO also participated in the *Fields to Forks* Ottawa program, featuring the Longtin family. In August, filming took place with Daniel, Valerie and Jessica on their egg farm in St. Isidore which was shared in October on CTV *Morning Live* (Ottawa) and posted on the *Fields to Forks* website.

Advertorials

Promotion of the egg through our collection of recipes is strategically positioned to ensure an active presence throughout the year. Top print publication placements include *Food & Drink* with 1.38 million readers, *Chatelaine* with a circulation of 156,000 and 2.5 million readers per issue, *Canada's 100 Best* with a readership of 825,000 and *Global Heroes* with a total reach per insert of 1.85 million.

In January, EFO's *Gado Gado Harvest Salad* recipe and the Laver family were featured in *Edible* magazine.

Leading up to Easter, EFO's *Bacon 'n' Egg Lasagna* made the front cover of *City Parent* magazine and a full-page ad that included the Bos family, which was also in *Foodism* magazine. *Horizon* magazine featured a double-page spread with our *Key Lime Pie* recipe and the Bos family, and included a digital billboard ad at Yonge-Dundas Square in Toronto.

Ottawa-based *edible* magazine featured the delicious *Key Lime Pie* in April along with the Bos family and in June, the Laver family and *Potato Egg Cups* were showcased in a full-page ad. *City Parent* magazine ran the same recipe in their May edition.

Foodism's Better Eating Issue in May included the *Egg-in-a-hole Burger* and Laver family and *Horizon* included the same recipe and featured Andrea Bos.

Salade Lyonnaise was part of *Foodism's* summer mini recipe insert which included two digital newsletters with the *Egg-in-a-hole Burger* and *Baked Dipping Eggs* recipes.

In July, *edible* and *House & Home* magazines contained a full-page ad featuring *Salade Lyonnaise*.

Just in time for back-to-school, *City Parent* ran a full-page ad with Colin Vyn, as well as a full-page for the *Ham & Cheese Egg Wrap* recipe, which was also included on the front cover of the magazine. *Foodism* also ran a digital ad with EFO's *Peach Yogurt Pound Cake*.

In September, *Today's Parent* featured *Baked Dipping Eggs* in a full-page ad and *edible* highlighted EFO's *Squash Egg Bake* recipe. A full-page advertorial in *Foodism* featured egg farmers from the RFRE campaign and the *Squash Egg Bake* recipe.

To celebrate fall, two advertorials featuring egg farming facts along with the *Squash Egg Bake* recipe were in the *Global Heroes* insert of the *Globe and Mail* and *Toronto Star*. The same recipe was featured in the inaugural issue of *Canada's Food and Drink* magazine which also promoted Instagram content from Chef Matthew James Duffy. Finally, *Post City* magazine included the same recipe across seven of their Toronto publications.

PUBLIC AFFAIRS REPORT CONTINUED...

In November, EFO's *Croque Madame* recipe and the Laver family were featured in *edible* magazine.

To celebrate the holidays, EFO's *Flourless Brownie Cake* was featured in *Canada's 100 Best*, *Chatelaine*, *Food & Drink* and *City Parent* magazines. It was also the feature of another *Global Heroes* insert in the *Toronto Star*, *National Post* and *Globe and Mail*. To finish up the year, EFO's *Flourless Brownie Cake* and *Festive Frittata* were featured in a mini-magazine insert with *Foodism* magazine.

Retail Partnerships

EFO partnered with Fortinos, a grocery store chain with locations throughout the Greater Toronto and Hamilton area, for their *Pick Ontario First* campaign. The program promotes fresh, local and Ontario-produced foods in-store and through their advertising, flyers, newsletters and website. Eggs were featured in the first flight of the campaign with a dedicated landing page for eggs, full-page advertorial content in their flyer and e-blast content.

EFO also partnered with the popular GTA supermarket chain Longo's. This partnership included dedicated recipe and farmer content in Longo's popular *Experience Magazine*, as well as inclusion of a poached egg bowl recipe in their weekday meal plan section. To round out our partnership, EFO sponsored a series of virtual cooking classes over the Christmas break for families. Three classes, designed for kids with the support of a parent, were held on December 28, 29 and 30 and were hosted by Longo's Chef Christie Contini, featuring a different theme each day. Recipes used during the classes were provided by EFO and included kid-friendly favourites such as *Crispy Egg Quesadillas*, *Churro French Toast Roll Ups* and *Mini Red Velvet Cupcakes with Meringue Frosting*. Participants also had the opportunity to win egg swag and everyone received a microwave egg cooker package.

Right:
Full page ad
from EFO's
promotion
with Fortinos.



EGG FARMERS OF ONTARIO

One large egg is a compact nutritional powerhouse:
70 calories,
6 grams of protein
& 13 essential nutrients

Ontario is home to more than 500 egg farm families, who provide 40% of the total egg production in Canada. Egg Farmers of Ontario are committed to providing Ontario with fresh, high-quality eggs.

Did you know the average hen naturally lays 340 eggs per year? That's almost one egg every day, or 200 million dozen eggs annually!

Imran Chaudary is a second-generation egg farmer from the Niagara Region. Imran was raised on the family farm and now works alongside his wife Lisa to provide Ontario with white, Omega-3 eggs. The family is always making improvements, including recent updates to their state-of-the-art barn with more planned for the future. Meet more Ontario egg farm families at getcracking.ca/our-farmers/meet-the-farmers.

Get Cracking! with tons of recipes for preparing eggs from breakfast to late night snacks or to learn more about Ontario egg farmers, visit getcracking.ca

Egg Farmers of Ontario 

Right:
Egg-in-a-hole
Burger would
be a great
addition to any
backyard BBQ.

Below: EFO's
Key Lime Pie is a
sweet treat
developed
in 2021.



2021 Recipe Bank

Each year, EFO adds new recipes to our growing library of *eggs-citing* meal ideas. In 2021, we worked with a new developer to create 12 unique recipes to add to our collection. These highlighted the versatility of the egg across different menu occasions and culinary appetites and included: *Gado Gado Harvest Salad*, *Lemon Custard Macarons*, *Bacon 'n' Egg Lasagna*, *Key Lime Pie*, *Potato Egg Cups*, *Egg-in-a-hole Burger*, *Salade Lyonnaise*, *Peach Yogurt Pound Cake*, *Baked Dipping Eggs*, *Squash Egg Bake*, *Croque Madame* and *Flourless Brownie Cake*. Each recipe was photographed for use on social media, on our online recipe platform and in consumer outreach programs. Four how-to recipe videos were also created and posted to the recipe section of our website and used in digital media opportunities.

The popular spice card made a return in 2021, with only one card being released due to a lack of in-person events. The card featured EFO's *Chai Crème Brûlée* recipe and showcased the Vyn family, who was one of the first two families featured in the *Real Farmers. Real Eggs.* campaign. 59,500 cards were printed for Ontario, in both English and French, and 3,500 cards were printed for three provincial egg boards.

Resources

Every year, EFO reviews our education, nutrition and recipe resources to determine where there may be a need for additional consumer-facing materials. As a result, new resources were developed to add to our ever-growing library of materials.

Eggs-citing Crafts With Eggs

This colourful booklet, filled with fun egg crafts, using everything from the carton to the shell, to the egg itself, was created as a resource for kids, parents and teachers. It was printed in English and French and also is available for download on our website.



Above and Top Right: A kid's craft brochure and three nutrition infographics were new resources created in 2021.

Opposite: *Gado Gado Harvest Salad* is a new way to enjoy eggs.



Nutrition Infographics

Three recipe and nutrition-based infographics were developed and printed and included *3 Good-For-You Comfort Foods*, *3 Flavourful Frittatas* and *3 Quick & Easy Power Bowls*. These materials are available to order or download from EFO's website.

PROMOTIONS

Fairs, Exhibits and Events

Approximately 52,400 recipes and education resources, 8,400 shopping pads, 70 gift baskets, 1,000 microwave egg packages and 1,600 microwave egg cookers were distributed to egg lovers in Ontario throughout the year.

With shut-downs and event cancellations continuing in 2021, EFO took the opportunity to undertake upgrades to the large education trailer. The trailer was fitted with a new exterior wrap to reflect the look of the *Real Farmers. Real Eggs.* campaign and had in-colony lighting added to the housing units.

The Ontario Association of Agricultural Societies' (OAAAS) convention was held virtually from February 15th to 20th. As part of our partnership, EFO hosted a virtual booth that included resource links and information about how EFO could support fair programming. EFO also sponsored the keynote motivational speaker Rik Roberts.

On February 23, EFO participated in a virtual farm tour as part of a celebration of Canada's Ag Day hosted by Farm & Food Care (Ontario) and Ag in the Classroom Canada. Janelle Cardiff from Gray Ridge Egg Farms gave a tour of an enriched layer barn, showed the equipment used to collect and pack eggs and answered student questions. The tour was viewed more than 4,000 times and included views by entire classrooms as part of their school day.

To celebrate Local Food Week, held June 7-13 in Ontario, EFO collaborated with several Ontario commodity groups to share messaging and promote Ontario food. Home Economist Emily Richards acted as spokesperson and was featured virtually on CTV Morning Live (Ottawa) June 7, CTV News at Noon (Kitchener)

PUBLIC AFFAIRS REPORT CONTINUED...

June 9 and Global News *The Morning Show* (Kingston) June 9. The group also worked with social media influencer Jordana Hart (@ihartnutrition) who showed consumers how to shop for local ingredients to create a dinner with Ontario produce and proteins.

Breakfast from the Farm

With restrictions on large gatherings still in place, Farm & Food Care (Ontario) transitioned their popular *Breakfast on the Farm* to *Breakfast from the Farm* - a drive-through event that EFO proudly sponsored. EFO provided the reusable shopping bags to pack the breakfast in, along with recipe cards and shopping pads. The events were held July 18 at Carp Fairgrounds; August 28 at the Lindsay Exhibition grounds; and October 2 at the Western Fair District, London.

Western Fair

The Western Fair District's Virtual School Ag-Tours were held from September 13 to 17. Egg farmer Megan Veldman (Zone 3) hosted a virtual tour from her farm on September 17, where she showed students some of the features on an egg farm and how eggs are collected.

Royal Agricultural Virtual Experience

The spring Royal Agricultural Virtual Experience (RAVE) was held March 23-25. EFO used our new Experience Ontario Eggs virtual booth for this event. For the fall RAVE, in addition to the virtual booth, EFO coordinated a virtual farm tour on November 1, hosted by Janelle Cardiff of Gray Ridge Egg Farms. Janelle shared a look inside an enriched egg barn and answered questions from students and teachers following the tour. More than 280 teachers and approximately 5,500 students participated in the event. Finally, on November 2, EFO was a sponsor of the *Food and Nutrition Forum* with a variety of presentations geared to dietitians, chefs and health professionals.

Promotional Items

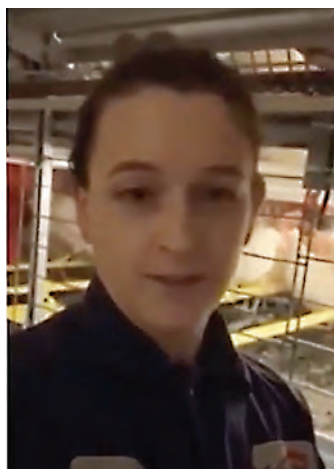
A number of new promotional items were produced during 2021, including pot holders, notebooks, masks, mousepads, magnetic clips, umbrellas and cork trivets, all branded with the *Get Cracking®* logo.

Best of CAMA Awards

EFO was proud to be nominated for three Best of CAMA awards through the Canadian Agri-Marketing Association. The virtual awards ceremony was held on November 18 and EFO was awarded a Certificate of Merit for the *Real Farmers. Real Eggs. 2021* campaign and was a category winner for our *Eggs-perience Ontario Eggs* virtual booth.

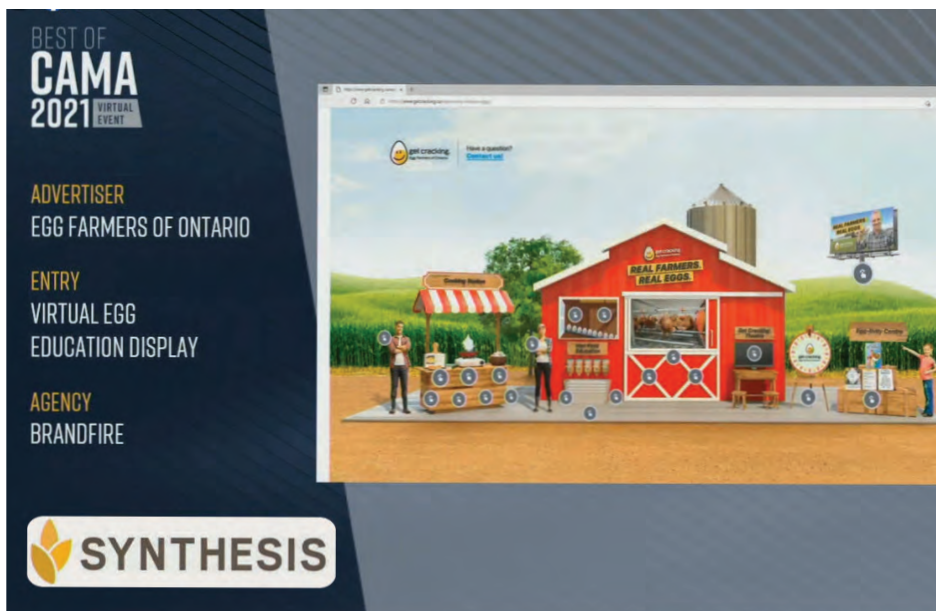


Above: Emily Richards visited CTV Morning Live to promote Local Food Week.



Left: Janelle Cardiff hosted a virtual tour for the RAVE.

Below: EFO's virtual booth was a category winner at the Best of CAMA awards.



PUBLIC RELATIONS

Eggs & Bakin' Newsletter

EFO's popular consumer-facing newsletter continued to grow in 2021. Once a month, consumers who subscribe are sent recipes, fun activities and information about Ontario eggs and egg farmers. As of December 31, there were 7,546 subscribers – an 8% increase in net subscribers over 2020.

Easter Contest

To celebrate Easter, EFO launched a fun #EasterTreeContest, purposely designed to align with public health restrictions that were in place at the time. The contest ran from March 18 to April 4 and was open to all Ontarians who were invited to decorate eggs and place them on branches/trees indoor or outdoors, to celebrate the holiday. They then had to post a photo on Instagram and tag @EggFarmersOnt and #EasterTreeContest or email their photo to EFO. There were four categories to enter – Most Colourful Tree, Most Elegant Tree, Most Unique Tree and Community Tree, with first and second prizes awarded for each category, which included eggs for a year and a gift basket of egg items. The contest was judged by a panel of egg farmers – Chris Mullet Koop (Zone 4), Tonya Haverkamp (Zone 6) and Sarah Laver (Zone 8). Inspiration photos, instructions for egg decorating and contest details were available at getcracking.ca/easter-contest/. The contest received almost 200 entries and was promoted on EFO's social media platforms which reached 4,000,000 impressions. In addition, four virtual television segments featured EFO spokesperson Eva Witek on CP24, Global Kingston, CHCH Hamilton and CTV Kitchener to promote the contest.

Below: Social media graphic to promote the WED contest.



Right: A winning tree from the most colourful category of the Easter contest.

Below: EFO spokesperson Eva Witek shares the contest details on Global Kingston.



World Egg Day

World Egg Day (WED) was October 8 and EFO celebrated with the *World Egg Day Great Canadian EGGS-ploration* contest. To enter, participants had to visit EFO's Instagram page and scroll through to find the post with the EQA® symbol, like it and tag a friend in the comments. Participants were eligible to win one of 25 egg swag packages that included a microwave egg cooker and one random grand prize winner was selected to win a gift basket valued at \$125, which also included eggs for a year. The contest received 1,164 entries and EFO's followers increased by 241 in a single day. In addition, consumers could also find recipes and eggs facts on the worldeggday.ca landing page. Television outreach supported WED activities and featured Professional Home Economist Emily Richards, who shared international egg recipes on *Breakfast Television* (Toronto), CTV Ottawa and Global Kingston. Mom blogger Julie Findlay shared egg recipes and WED messaging on *Rogers Daytime*, October 7.

Education

To remain current in a virtual landscape, EFO launched a virtual educational experience hosted at experienceontarioeggs.ca. The virtual booth allows visitors to experience the sights and sounds of an Ontario egg farm while learning about eggs and egg farming. Geared towards Ontario students and designed to complement existing agricultural education, the site includes many interactive features such as videos, games, trivia and recipes.

Delivered in time to coincide with Ontario's Local Food Week, AgScape and EFO launched the curriculum-based egg resource *An Exploration of Egg Farming in Ontario, a Teacher's Guide for Grades K-8*. The resource includes a teacher's guide, three lesson plans targeting grades K-3, 4-6 and 7-8, extension activities and resources and is available in both English and French. It was also distributed to educators as part of the digital resource package during Local Food Week.

PUBLIC AFFAIRS REPORT CONTINUED...

Sponsorships

To support community activities in Ontario, including egg donations to local food banks and community groups, schools and sponsorship of sports teams, each Zone was provided with \$20,000 in 2021. Given continuing public health restrictions, the majority of these funds were used to provide eggs to local food banks.

Eggs continued to be the Official Breakfast Protein of Lois Betteridge, Canadian and U23 national team athlete for kayak and canoe and we continued our support of Fareen Samji, 5-time Canadian Women's Long Drive champion, golf touring professional and mentor.

On November 1, Egg Farmers of Ontario announced a three-year partnership with Tyler McGregor, Captain of Hockey Canada's National Para Ice Hockey team, positioning eggs as his Official Breakfast Protein. EFO is *eggs-cited* to partner with this world class athlete and help fuel his journey.

As part of our continued national sponsorship of *Rocks & Rings* and to celebrate Curling Day in Canada, EFO joined other provincial egg boards to issue an activity card challenge from February 8 to 28. Activities and challenges were offered on a card and participants who shared a photo had a chance to win a FloorCurl kit for their school or community group.

Team Homan

As part of our Team Homan partnership, an online contest was held in February. Consumers were invited to cook a creative egg recipe and tag both Team Homan and EFO Instagram accounts together with #GetCrackingAndCurl. Contestants could win one of 5 prize packages, including a private Zoom call with the team and eggs for a year. The contest reached 97,000 users, earned 947 likes, 33 comments, 52 saves and had an engagement of 2,405. Although ice time was limited in 2021, the *Get Cracking*® logo remained prominently on the team's uniform for their events, including the *Grand Slam of Curling Humpty's Championships*.

Algonquin College

Our partnership with Algonquin College continued in 2021, with Zone 8 egg farmer Ian Laver presenting to the School of Hospitality's Baking and Pastry Arts program on June 18 to share with students the journey of the egg, from farm to table. On move-in day, EFO provided first-year students with microwave egg cookers. On October 4 and December 6, sisters Valerie and Jessica Longtin (Zone 10) presented to the Farm 2 Fork classes with Tonya Haverkamp (Zone 6) presenting to the Baking and Pastry Arts classes on October 13 and 15.

Ontario Minor Hockey Association (OMHA)

With the cancellation of the 2020/2021 Playdowns, EFO pivoted our OMHA partnership to offer the *Player Assist Program*, providing 350 sets of equipment to 10 minor hockey associations. With the economic strain of the pandemic being felt across the province, this program was developed to help offset the cost of equipment needed to play hockey. Farmers were available to distribute the equipment to the associations that were selected



Above: A curriculum-based resource was created with AgScape.

Below: EFO announced a new sponsorship with Tyler McGregor.



Left: Egg farmer Colin Vyn (Zone 1) presents the Southpoint Minor Hockey Association with equipment through the Player Assist Program.



Above: Microwave egg cookers and brochures being packed into student bags through the Algonquin College sponsorship.

to receive the gear. A press release to announce the program was issued by OMHA in March and was picked up by several Ontario media outlets. In conjunction with World Egg Day, a second press release was issued, announcing the 10 recipient associations and a video featuring Candace Phoenix (Zone 8).

Advancing Women in Agriculture Conference

EFO was a sponsor for the virtual conference which was held November 22 to 23. EFO had a virtual booth where attendees could learn more about women egg farmers and access EFO resources. Mireille Leroux (Zone 10) was also a featured speaker for the “When a Door Opens” session.

Diabetes Canada

EFO partnered with Diabetes Canada to sponsor their five *Flame of Hope* golf tournaments in Hamilton (July 20), Shelburne (August 24), Toronto (September 10), Ottawa (September 20) and London (October 13). Golf packages were provided to all participants at each event. In the fall, EFO also provided resources for the digital swag bag for *Lace Up to End Diabetes*, a virtual 10-kilometre race. This partnership also included social media activation and the opportunity to share a virtual message from egg farmers Tonya Haverkamp and Don Storey (Zone 6).

Media Relations

As media continued to adapt to virtual guests during 2021, EFO pivoted our media strategy to ensure our ongoing presence.

Chef Vanessa Gianfrancesco was on *CP24 Breakfast* on February 19 for a shared segment sponsored by EFO and Ontario Veal. During the show, she demonstrated a delicious *Chocolate and Zucchini Brownie* made with Ontario eggs as one of her recipes.

On July 23, EFO sponsored a “Christmas in July” segment with Chef Raquel Fox on CTV *Your Morning* (Toronto). Chef Raquel demonstrated two recipes made with Ontario eggs – *Snowman Coconut Rum Cake* and *Rudolph Egg Nog Ice Cream Bars*.

In September, Mom blogger Julie Findlay was on CTV (Ottawa) showcasing our *Egg Fried Rice* and *Apple Oat Breakfast Muffins* as healthy back-to-school lunch box options.

Zone 6 egg farmer Gary West was the feature interview in the January 2021 edition of *edible* (Ottawa). Through EFC’s #LocalChefLocalHero initiative, Chef Lynn Crawford connected with Gary about his efforts to support school breakfast programs in local schools.

GOVERNMENT RELATIONS

Security from Trespass and Protecting Food Safety Act, 2020

The *Security from Trespass and Protecting Food Safety Act, 2020* was proclaimed and brought into effect December 2020, but considerable work still remained to understand some of the issues surrounding farm signage, time limitations, transport and the definitions of what is considered a premise under the Act. EFO staff actively participated on a steering committee with other commodity groups to better understand the Act and help communicate to farmers its implications and requirements.

Outreach

An Ontario Cabinet shuffle took place on June 18 and the Honourable Ernie Hardeman was replaced by Lisa Thompson, MPP for Huron-Bruce, as the Minister of Agriculture, Food and Rural Affairs. A letter of thanks was sent to MPP Hardeman and a congratulatory letter was sent to Minister Thompson.

The 2021 London Leader’s Reception was held December 1 and EFO Chair Scott Helps attended the event along with Dan Veldman, Vice Chair and Ryan Brown, EFO General Manager. During the event they had the opportunity to speak with Minister Thompson, among other Members of Provincial Parliament.

Leading up to the September federal election, EFO worked with local egg farmers to prepare key messaging and briefing documents. Following the election, a letter of congratulations was sent to new Ontario Members of Parliament (MPs) and Ministers along with a copy of our 2020 Annual Report, EFO’s *A Look Back in Time* historical timeline and a microwave egg cooker. Returning MPs and Ministers were sent a congratulatory letter and a microwave egg cooker.



Above: EFO Chair Scott Helps with The Honourable Lisa Thompson and EFO General Manager Ryan Brown at the 2021 London Leader’s Reception.

NUTRITION STRATEGY

EFO's 2021 nutrition strategy focused on two main elements, TV/print outreach and promotion of the *Meal Plan Like A Pro* resource, in addition to regularly posted content on social media.

On January 14, Registered Dietitian Michelle Jaelin started EFO's nutrition outreach off early in the year by sharing how a few small changes, like including eggs in your diet, can have a big impact on your health on CHCH *Morning Live* (Hamilton).

On February 22, Registered Dietitian Andrea D'Ambrosio shared healthy one-pot/pan ideas using eggs during a virtual segment on CHCH *Morning Live* (Hamilton).

On April 22, Andrea was featured on CTV Kitchener to discuss ways to implement a "Spring Savings Food Budget."

In September, Registered Dietitian Carol Harrison wrote an article for the CanFit Pro website on *3 Time-Saving Hacks for Eating Well*. The article focused on meal planning and batch cooking, as well as information on EFO's meal planning resource.

On September 6, Michelle Jaelin was a virtual guest on CHCH *Morning Live* (Hamilton) to demonstrate how eggs can be part of healthy lunch options for kids with EFO's *Egg Fried Rice and Ham, Cheese and Egg Muffins*.

Nicole Osinga, Registered Dietitian, was featured on *Global News* (Peterborough) December 7, where she shared healthy holiday meals to stay on-track during the festivities. On December 10, Nicole demonstrated healthy holiday brunch ideas during a virtual segment with *Global News The Morning Show* (Kingston).

To round the year out, Michelle Jaelin hosted a social media campaign using eggs in a traditional Chinese egg congee recipe on TikTok and through Instagram reels and stories.

With the launch of EFO's *Meal Plan Like a Pro* resource, a strategy to promote the meal planner was developed and executed with Registered Dietitian Andrea D'Ambrosio. Social media activity kicked off the outreach with an Instagram contest in May. The meal planner post had 202 views and the "how to enter" post had 176 views, while a separate Facebook post with the contest details reached 368 people. Andrea also shared two blogs – *How to Meal Plan* and *Stock Your Kitchen Like a Pro* which were shared on getcracking.ca.

In September, three meal planning "how-to" videos were created for YouTube, where Andrea shares the differences



Above: Michelle Jaelin talks about healthy lunch box ideas on CHCH *Morning Live*.

between a meal plan and meal planning, the top five benefits of meal planning and how to meal plan.

To further promote EFO's *Meal Plan Like a Pro* resource, Andrea was a guest on CHCH *Morning Live* on September 27, to share information on meal planning and how to access the resource. As a result, more than 340 copies of the resource were requested in a single day.

Andrea once again visited CHCH *Morning Live* on November 9 to promote meal planning and later in the day, she hosted a webinar geared specifically to registered dietitians. More than 245 dietitians registered for the event, which was emceed by Registered Dietitian Nicole Osinga.

The overall outreach strategy was very successful, resulting in over 2,746 English and 354 French copies of the meal planner resource being distributed to consumers, registered dietitians, nutritionists and family physician offices throughout the year.

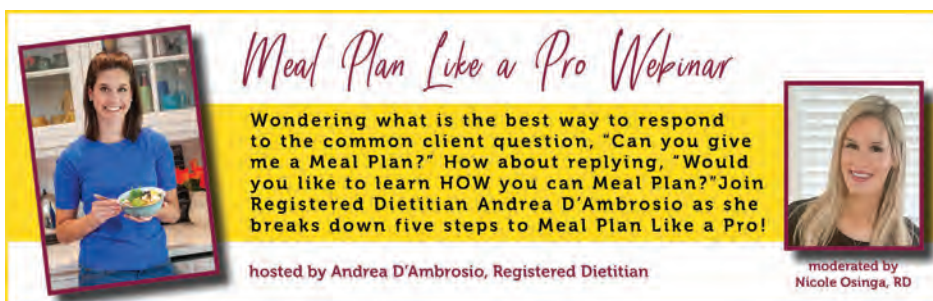
DIGITAL

Website Updates

As part of our ongoing digital property maintenance, the project to update the technology behind our websites was completed and the back end of our content management system was updated to Drupal 8. This update resulted in improved functionality for users and efficient content management for staff.

Social Media

To celebrate Valentine's Day, EFO partnered with three social media influencers. @NourishedbyNic created heart-shaped sugar cookie sandwiches, @kitchenfairblog made homemade ravioli pasta dyed red and cut into hearts and @intl_peach shared a breakfast board. Shared impressions totalled 7,010 with 749 combined likes and a total engagement of 1,279.



Above: Banner ad promoting the November meal planning webinar.

Left: @CucinaKids created Breakfast Egg Bites as part of EFO's holiday influencer content.



Right: Cheque presentation for our Student Nutrition Ontario partnership.

Influencer content was also promoted in December for the holidays. Three food-focused influencers created delicious holiday recipes which were promoted through Instagram posts, stories and reels. Elis (@thefoodstylstrd) created a stunning *Holiday Panettone French Toast*, Jason (@culinarypickpocket) shared his *Delicious Holiday Hash* with his followers and Matteo (@cucinakids) created *Breakfast Egg Bites*. Combined holiday outreach had a total of 879 likes, 80 comments and earned a reach of 8,204.

Blog refresh

The strategy of updating existing blogs and adding new content has continued into 2021 and includes incorporating search engine optimization, so content appears in top spots of Google searches. Content varied from month to month and included recipe ideas, egg facts, celebrating special occasions, nutrition information and craft ideas.

FOOD SERVICE

Foodservice staff cautiously worked with restaurant owners and operators during 2021, offering support whenever possible. Many in the foodservice sector were dramatically impacted by the closing of their operations during restrictions and contacts were made while respecting the difficulties faced by these businesses.

EFO also took this opportunity to continue discussions and explore collaboration opportunities within the health care and institutional sectors. This included the launch of a new newsletter for institutional clients, with focused content and *eggs-citing* recipe ideas appropriate for health care/institutional settings.

Egg Chef

Early in 2021, foodservice staff created Recovery Kits for restaurants dealing with the implications of shutdowns and curbside service. Floor decals, table cards, posters and infographics were prepared and offered to these business owners hit hard by the pandemic. These kits were offered at the Restaurants Canada virtual trade show and were also available on the *Egg Chef* portal. Social media content was also developed for use by operators to promote their new business models. In July, Flanagan foodservice distributor promoted EFO's Recovery Kit, which reached over 2,200 contacts.

The January edition of *Food and Hospitality Magazine's* newsletter had a breakfast focus and two EFO recipes were featured – *Turkey and Egg Stromboli* and *Chai Tea Rice Pudding*. The newsletter was distributed to more than 120,000 Canadian foodservice and hospitality subscribers.



Restaurants Canada Online Live

The Restaurants Canada virtual tradeshow took place February 28 to March 3, and EFO had a booth highlighting our *Egg Chef* portal and Recovery Kits. EFO also sponsored the *Innovating with Eggs* presentation on the virtual culinary stage, which featured research from Technomics on consumer trends. Almost 1,000 participants visited our booth and 300 participants viewed the presentation.

In addition, EFO hosted a booth at the Gordon Foodservice Canada virtual tradeshow, held March 23 to 25. Engagement during the event was positive and staff followed up with leads after the show.

EFO partnered with Great Canadian Bagel to promote their all-day breakfast sandwich. Each restaurant location in Ontario received a free poster, templates for their Bagel Club member e-blast and social media posts.

SOCIAL RESPONSIBILITY

The Ontario Public Service (OPS) food drives were back in 2021, after a brief pause in 2020. The first food drive coincided with Local Food Week in June and EFO donated 300 boxes of medium eggs delivered to the Daily Break Food Bank. For the Christmas food drive, EFO increased its donation to 400 boxes, recognizing the increased usage being experienced by food banks throughout the year.

To help fuel student learning, EFO continued our partnership with Student Nutrition Ontario. On October 8, Zone 7 egg farmer Anneke Stickney visited St. John Bosco Secondary School in Guelph to present a cheque for \$75,000 for the 2021/2022 program. This is the second year of a three-year commitment to the organization that provides the funds to purchase the equipment needed to serve eggs or to purchase eggs for school nutrition programs. Recipe inspirations, food handling tips and nutritional information and resources are also sent to all participating schools to enhance the partnership.

On September 30th, spearheaded by the Ontario Federation of Agriculture, EFO joined a number of Ontario commodity groups to observe Canada's first National Day for Truth and Reconciliation. A joint statement was released to acknowledge that farms across Ontario are situated on treaty lands and the traditional territories of many diverse First Nations, Inuit and Métis people and to also recognize the importance of truth and continued learning and listening to Indigenous community members.



OFFICERS, COMMITTEES AND REPRESENTATIVES 2021-2022

Chair

Scott Helps*

Vice Chair

Dan Veldman

Treasurer

Ryan Brown

Secretary

Jennifer Correa

Egg Farmers of Canada Representative

Scott Brookshaw

Egg Farmers of Canada Alternate

George Pilgrim

Executive Committee

Scott Helps, Dan Veldman, Scott Brookshaw, Tonya Haverkamp

Audit Committee

Scott Brookshaw, Alvin Brunsveld, Scott Helps

Egg Industry Advisory Committee

Scott Helps, Dan Veldman, Scott Brookshaw, Tonya Haverkamp, Alvin Brunsveld

Finance Committee

Lorne Benedict, Scott Helps, Marcel Jr. Laviolette, Brian Miller, George Pilgrim

Production Management Committee

Scott Brookshaw, Tonya Haverkamp, Scott Helps, Marcel Jr. Laviolette, George Pilgrim, Dan Veldman

Public Affairs Committee

Scott Brookshaw, Tonya Haverkamp, Marcel Jr. Laviolette, Ian McFall, George Pilgrim

Pullet Committee

Scott Brookshaw, Alvin Brunsveld, Marcel Jr. Laviolette, Dan Veldman, Tonya Haverkamp (ex-officio member)

Research Committee

Alvin Brunsveld, Brian Miller, George Pilgrim, Dr. Mike Petrik

Farm & Food Care (Ontario) Representatives

Janelle Cardiff, Tonya Haverkamp, Alvin Brunsveld (alternate)

Ontario Federation of Agriculture Representative

Marcel Jr. Laviolette

Poultry Industry Council Representative

Brian Miller

Pullet Growers of Canada Representative

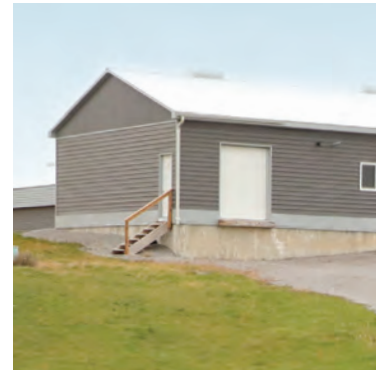
Alvin Brunsveld

Pullet Growers of Canada Alternate

Marcel Jr. Laviolette

**EFO's Chair serves as an ex-officio member on all EFO committees*





STAFF AND PARTNERS 2021

STAFF

General Manager
Ryan Brown

Director of Corporate Affairs
Jennifer Correa

Corporate Affairs Executive Assistant
Siobhán Desrochers

Corporate Affairs Coordinator
Tiffany Hughes

Director of Economics and Policy Development
James Corpuz

Industrial Product Manager
Julie Cangiano

Director of Regulatory Affairs, Quota and Information Technology
Ray Hinton

Inventory and Quota Systems Analyst
Nicci Jasmins

Quota Transfer System Coordinator
Jenelle Budhram

Flock Placement and Verification Analyst
Christine Wong

Quota Compliance Specialist
Lily Ekwenuke

Business Analyst (contract)
Khurram Qidwai

Quota Administrative Support (contract)
Elizabeth Hamilton

Finance Manager
Syed Ali Shahzad

Accounts Receivable, Levy & Statistical Coordinator
Suzanne Walton

Accounts Payable & EFP Coordinator
Joan Davies

Director of Public Affairs
Bill Mitchell

Public Affairs Manager
Donna Lange

Communications Coordinator
Pam Passerino

Public Affairs Coordinator
Sarah Brien

Digital Media Coordinator
Eva Witek (maternity leave)
Kwesi Jacob

Outreach Coordinator
Alisha Mills

Director of Operations
Albert Visser (January-November)
Ryan Trim (Interim-December)

Project Manager
Pamela Kuipers-Malek

Administrative Assistant (contract)
Liberty Mitchell

Inspectors
Mike Andersen, Terry Gray,
Connie Hutchinson, Guylain Levac,
Cassandra O'Donnell

Inspectors/Investigations Unit
Justin Patterson,
Ryan Trim (January-November)

PARTNERS

Advertising Agency
Brandfire, Markham, Ontario

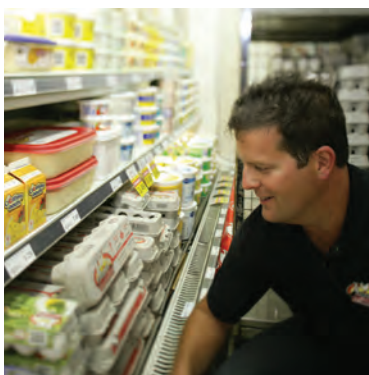
Auditors
RLB LLP, Guelph, Ontario

Bank
Royal Bank of Canada, Agriculture
and Agribusiness, Guelph, Ontario

Digital Agency
BDO Canada, Toronto, Ontario

Foodservice Consultants
Nancy Hewitt, Debbie Fantauzzi

Legal Counsel
Wilson Spurr LLP, St. Catharines, Ontario



EGG FARMERS OF ONTARIO

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EGG FARMERS OF ONTARIO
FINANCIAL STATEMENTS
FOR THE 52 WEEK PERIOD ENDED DECEMBER 25, 2021

EGG FARMERS OF ONTARIO
INDEX TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEK PERIOD ENDED DECEMBER 25, 2021

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INDEPENDENT AUDITOR'S REPORT

To the Members of: Egg Farmers of Ontario

Opinion

We have audited the accompanying financial statements of Egg Farmers of Ontario, which comprise the statement of financial position as at December 25, 2021 and the statements of changes in net assets, operations and cash flows for the 52 weeks then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Egg Farmers of Ontario as at December 25, 2021 and the results of its operations and its cash flows for the 52 weeks then ended in accordance with Canadian accounting standards for not for profit organizations.

Basis of Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not for profit organizations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Guelph, Ontario
March 14, 2022

Chartered Professional Accountants
Licensed Public Accountants

EGG FARMERS OF ONTARIO
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 25, 2021

	2021	2020
ASSETS		
CURRENT		
Cash	\$ 26,067,364	\$ 13,958,141
Cash in trust - QTS	4,743,303	268,440
Short term investments - due in less than 12 months (note 6)	1,281,004	810,663
Accounts receivable levies	7,332,415	6,609,793
Accounts receivable from EFC	9,077,939	5,813,897
Per bird levy receivable	1,729,171	1,326,816
Accounts receivable MGA	1,808	1,172,900
Prepaid expenses	356,153	378,122
Industrial product receivables	0	1,292,326
Quota receivable	4,362,355	2,225,767
Other receivables	1,477,010	730,282
Government remittances receivable (HST)	0	377,607
	<u>56,428,522</u>	<u>34,964,754</u>
LONG TERM INVESTMENTS - due in more than 12 months (note 6)	5,680,867	6,132,475
CAPITAL ASSETS (note 7)	<u>434,081</u>	<u>333,232</u>
	<u>\$ 62,543,470</u>	<u>\$ 41,430,461</u>
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 9,421,190	\$ 6,632,614
Accounts payable in trust - QTS	4,743,303	268,440
Accounts payable to EFC	7,463,047	9,898,830
Farmers' payable EFP	18,262,979	4,905,209
Government remittances payable (HST)	130,465	0
	<u>40,020,984</u>	<u>21,705,093</u>
NET ASSETS		
Net assets invested in capital assets	434,081	333,232
Internally restricted for bacteria control (note 8)	1,798,972	2,063,795
Internally restricted for special projects (note 9)	834,202	1,863,546
Internally restricted for pullet quota (note 10)	1,545,550	1,388,618
Internally restricted for CETPP (note 11)	4,446,528	3,922,832
Internally restricted for disease initiative (note 16)	871,647	1,083,028
Unrestricted net assets	<u>12,591,506</u>	<u>9,070,317</u>
	<u>22,522,486</u>	<u>19,725,368</u>
	<u>\$ 62,543,470</u>	<u>\$ 41,430,461</u>

APPROVED ON BEHALF OF THE BOARD:





Chair

Vice Chair

See notes to the financial statements

EGG FARMERS OF ONTARIO

STATEMENT OF CHANGES IN NET ASSETS

FOR THE 52 WEEK PERIOD ENDED DECEMBER 25, 2021

	Invested in Capital Assets	Internally Restricted for Bacteria Control (note 8)	Internally Restricted for Special Projects (note 9)	Internally Restricted for Pullet Quota (note 10)	Internally Restricted for CETPP (note 11)	Internally Restricted for Disease Initiative (note 16)	Unrestricted	52 weeks 2021 Total	52 weeks 2020 Total
BALANCE , beginning of period	\$ 333,232	\$ 2,063,795	\$ 1,863,546	\$ 1,388,618	\$ 3,922,832	\$ 1,083,028	\$ 9,070,317	\$19,725,368	\$18,834,405
(Deficiency) excess of revenue over expenditures	(60,957)	(264,823)	(1,029,344)	156,932	523,696	(211,381)	3,682,995	2,797,118	890,963
Invested in capital assets (net)	<u>161,806</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(161,806)</u>	<u>0</u>	<u>0</u>
BALANCE , end of period	<u>\$ 434,081</u>	<u>\$ 1,798,972</u>	<u>\$ 834,202</u>	<u>\$ 1,545,550</u>	<u>\$ 4,446,528</u>	<u>\$ 871,647</u>	<u>\$12,591,506</u>	<u>\$22,522,486</u>	<u>\$19,725,368</u>

See notes to the financial statements

EGG FARMERS OF ONTARIO
STATEMENT OF OPERATIONS
FOR THE 52 WEEK PERIOD ENDED DECEMBER 25, 2021

	Budgeted 52 Weeks 2021 (note 5)	Actual 52 Weeks 2021	Actual 52 Weeks 2020
REVENUE			
Sales	\$ 121,294,195	\$ 121,012,411	\$ 110,640,858
Less			
National IP fees (note 12)	101,857,051	101,739,793	91,435,291
EFC administration levies (note 12)	9,309,087	9,352,335	9,411,431
Enriched housing incentive	1,000,000	0	4,410
EFO early adopters housing incentive	0	388,845	846,444
Per bird levy income	<u>(295,000)</u>	<u>(1,220,392)</u>	<u>(1,082,323)</u>
Levies and licence fees retained	9,423,057	10,751,830	10,025,605
Investment and other income	81,083	147,817	344,811
Layer leasing revenue	8,523,930	9,077,821	4,250,583
Market growth allowance fees	0	(1,575)	1,170,400
EFP program (schedule I)	<u>50,000</u>	<u>328,944</u>	<u>268,327</u>
	<u>18,078,070</u>	<u>20,304,837</u>	<u>16,059,726</u>
EXPENDITURES			
IP program (schedule II)	5,170,362	6,342,487	4,623,128
Public affairs	3,125,000	2,867,800	2,583,725
Consumer choice campaign	300,000	166,916	116,693
Administrative expenses (schedule III)	7,364,240	6,178,446	6,058,241
Research, grants, scholarships and memberships (note 15)	998,706	1,127,150	969,222
EFC layer service fee (note 12)	<u>0</u>	<u>0</u>	<u>2,866,338</u>
	<u>16,958,308</u>	<u>16,682,799</u>	<u>17,217,347</u>
TOTAL OPERATING EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES for the fiscal period	\$ <u>1,119,762</u>	<u>3,622,038</u>	<u>(1,157,621)</u>
NET REVENUE (EXPENDITURES) OF INTERNALLY RESTRICTED ASSETS			
Bacteria control (note 8)		(264,823)	63,795
Special projects (note 9)		(1,029,344)	(722,337)
Pullet quota (note 10)		156,932	311,313
CETPP (note 11)		523,696	2,554,379
Disease initiative (note 16)		<u>(211,381)</u>	<u>(158,566)</u>
		<u>(824,920)</u>	<u>2,048,584</u>
EXCESS OF REVENUE OVER EXPENDITURES for the fiscal period		\$ <u>2,797,118</u>	\$ <u>890,963</u>

EGG FARMERS OF ONTARIO
STATEMENT OF CASH FLOWS
FOR THE 52 WEEK PERIOD ENDED DECEMBER 25, 2021

	52 Weeks 2021	52 Weeks 2020
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Excess of revenue over expenditures	\$ 2,797,118	\$ 890,963
Add: Items not involving cash		
Amortization of capital assets	71,346	74,387
(Gain) loss on disposal of capital assets	(10,389)	22,004
	<u>2,858,075</u>	<u>987,354</u>
Net change in non-cash operational balances		
Accounts receivable levies	(722,622)	(527,724)
Accounts receivable from EFC	(3,264,042)	639,548
Per bird levy receivable	(402,355)	(947,068)
Accounts receivable MGA	1,171,092	(2)
Prepaid expenses	21,969	(324,869)
Industrial product receivables	1,292,326	166,245
Quota receivable	(2,136,588)	54,745
Other receivables	(746,728)	26,083
Government remittances receivable (HST)	508,072	(91,793)
Accounts payable and accrued liabilities	2,788,577	(754,898)
Accounts payable to EFC	(2,435,783)	(2,029,364)
Farmers' payable EFP	13,357,770	3,117,020
	<u>9,431,688</u>	<u>(672,077)</u>
	<u>12,289,763</u>	<u>315,277</u>
CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		
Short term investments	(470,341)	1,331,391
Long term investments	451,608	(1,623,919)
Purchase of capital assets	(174,196)	(61,195)
Proceeds of disposal on capital assets	12,389	0
	<u>(180,540)</u>	<u>(353,723)</u>
CHANGE IN CASH	12,109,223	(38,446)
CASH, beginning of fiscal period	<u>13,958,141</u>	<u>13,996,587</u>
CASH, end of fiscal period	<u>\$ 26,067,364</u>	<u>\$ 13,958,141</u>

EGG FARMERS OF ONTARIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEK PERIOD ENDED DECEMBER 25, 2021

1. ACTIVITIES OF EGG FARMERS OF ONTARIO

Egg Farmers of Ontario (EFO) is engaged in the control and regulation of the production of eggs and pullets in Ontario, the collection of levies and licence fees, the promotion of eggs and the purchase and sale of industrial product.

2. LEGISLATION RELEVANT TO OPERATIONS

Egg Farmers of Ontario receives its authority from the Farm Products Marketing Act (Ontario) and The Commodity Boards and Marketing Agencies Act, 1978 (Ontario). Egg Farmers of Ontario is a not for profit organization and is exempt from tax under Section 149(1)(e) of the Income Tax Act.

Egg Farmers of Ontario acts as an agent for the Egg Farmers of Canada (EFC) in collecting EFC's administrative levies.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not for profit organizations and include the following significant accounting policies:

(a) CAPITAL ASSETS

Expenditures made for the purchase of capital assets are capitalized. Amortization is recorded at rates estimated to charge the original cost to operations over the estimated useful lives of the assets as follows:

Office equipment	- 20% declining balance basis
Building	- straight-line over 40 periods
Automobiles and promotional trailer	- 30% declining balance basis
Computer equipment	- straight-line over 4 periods

Amortization is taken at 100% of the above rates in the period of addition.

(b) IMPAIRMENT OF LONG LIVED ASSETS

Long lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when the carrying value exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value.

(c) USE OF ESTIMATES

The preparation of financial statements in conformity with Canadian accounting standards for not for profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the period. Significant areas requiring the use of management estimates and assumptions relate to accounts receivables, accounts payable and accrued liabilities, and useful life of capital assets. Actual results could differ from those estimates.

EGG FARMERS OF ONTARIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEK PERIOD ENDED DECEMBER 25, 2021

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) FINANCIAL INSTRUMENTS

Measurement of financial instruments

The organization initially measures its financial assets and liabilities at fair value. The organization subsequently measures all its financial assets and financial liabilities at amortized cost except for investments which are measured at fair value. Changes in fair value are recognized in the statement of operations.

Impairment

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. If an impairment has occurred, the carrying amount of financial assets measured at amortized cost is reduced to the greater of the discounted future cash flows expected or the proceeds that could be realized from the sale of the financial asset. The amount of the write-down is recognized in the statement of operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations.

Transaction costs

The organization recognizes its transaction costs in net surplus in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

(e) REVENUE RECOGNITION

Ontario levies for egg quota

Egg Farmers of Ontario is empowered under the enabling legislation to collect levies and licence fees on all eggs marketed in Ontario. Levy revenue is based on dozens of eggs marketed, and is recognized when eggs are shipped from the farmer. The levy is collected based on marketing and reconciled annually against quota issuance and any underpayment is collected from the farmer.

With respect to grading stations and farmers over a prescribed flock size, Egg Farmers of Ontario operates a system of requiring regular reports of marketing affected by these registered parties and monitors the validity of these reports by reference to known flock sizes and estimated rates of lay. Egg Farmers of Ontario includes in income levies and licence fees on marketing reported by registered grading stations and farmers.

With respect to smaller farmers, some of which are not covered by the system described above, it is considered by Egg Farmers of Ontario that their marketing are not significant and that the amount of additional levies and licence fees, which might be collectible, would not be sufficient to justify the cost of instituting the additional controls required to identify and monitor the marketing by unregistered farmers. Egg Farmers of Ontario has alternative methods in place to help monitor these smaller farmers.

EGG FARMERS OF ONTARIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEK PERIOD ENDED DECEMBER 25, 2021

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) REVENUE RECOGNITION (continued)

Layer leasing revenue

Layer leasing revenue is generated through the leasing of quota to farmers that have capacity. Farmers apply to lease the quota from Egg Farmers of Ontario. Once the farmers' requests are approved, Egg Farmers of Ontario has earned the revenue. Layer leasing revenue is recorded when collection is reasonably assured and the amount of revenue to be recognized is determinable.

Other revenue

All other revenue, including market growth allowance fees, EFP sales to breakers, IP revenue, CETPP revenue, pullet quota sales, per bird levy income, investment, and other income, is recognized when earned and collection is reasonably assured.

(f) IN TRUST ACCOUNTS

The organization is required to maintain separate trust accounts for any cash, receivable and payable in respect of monies collected on behalf of the quota transfer system. Thus, \$4,743,303 (2020 - \$268,440) is restricted from current use other than for the payment of trust liabilities.

4. FINANCIAL INSTRUMENTS

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant interest, credit, currency, liquidity, or other price risks arising from the financial instruments.

The extent of the organization's exposure to these risks did not change in 2021 compared to the previous period.

5. BUDGETED FIGURES

The budgeted figures are presented for comparison purposes as prepared and approved by the Board of Directors on December 3, 2020, reclassified to conform to the current financial statement presentation. They have not been audited or reviewed by the auditor.

6. INVESTMENTS

Egg Farmers of Ontario has invested surplus cash in bonds, Guaranteed Investment Certificates (GICs) and fixed income Exchange-Traded Funds maturing at various dates from 2022 - 2033, administered by RBC Dominion Securities and BMO Nesbitt Burns. Bond and GIC interest rates vary from 1.15% to 3.45%. Investments are accounted for at fair market value.

EGG FARMERS OF ONTARIO
NOTES TO THE FINANCIAL STATEMENTS
FOR THE 52 WEEK PERIOD ENDED DECEMBER 25, 2021

7. CAPITAL ASSETS

	Cost	Accumulated Amortization	Net 2021	Net 2020
Land	\$ 162,000	\$ 0	\$ 162,000	\$ 162,000
Office equipment	1,288,403	1,261,576	26,827	33,534
Building	779,492	592,155	187,337	70,684
Automobiles	3,372	3,372	0	2,857
Promotional trailer	42,755	42,525	230	328
Computer equipment	<u>712,540</u>	<u>654,853</u>	<u>57,687</u>	<u>63,829</u>
	<u>\$ 2,988,562</u>	<u>\$ 2,554,481</u>	<u>\$ 434,081</u>	<u>\$ 333,232</u>

8. INTERNALLY RESTRICTED FOR BACTERIA CONTROL

The bacteria control assets are utilized for payments for claims from Salmonella-infected flocks that include the cost of vaccines and compensation for birds that are destroyed. The current period's interest earned totalled \$1,389 (2020 - \$64,295). Expenses paid from the bacteria control account during 2021 totalled \$266,212 (2020 - \$500) for a net decrease of \$264,823 (2020 - (\$63,795)).

9. INTERNALLY RESTRICTED FOR SPECIAL PROJECTS

The special projects account is for the funding of egg research and other special projects. During 2021, there were transfers from the unrestricted net assets to the internally restricted special projects account of \$0 (2020 transfers - \$740,123). During the period, expenses of \$1,029,344 (2020 - \$722,337) were paid out of the special projects account for a net decrease of \$1,029,344 (2020 - (17,786)).

10. INTERNALLY RESTRICTED FOR PULLET QUOTA

The pullet quota is an account which represents transfers of pullet quota to farmers that have made a request for an increase in quota or over quota assessments. During the period, \$982 of interest has been earned (2020 - \$40,644) and has been allocated to the pullet quota account. Revenues paid into the pullet quota account during 2021 were \$440,378 (2020 - \$592,360) and expenses paid from the pullet quota account during 2021 were \$284,428 (2020 - \$321,691) for a net increase of \$156,932 (2020 - \$311,313).

11. INTERNALLY RESTRICTED FOR CONVENTIONAL TO ENRICHED TRANSITION IN PRODUCER PRICE

The Conventional to Enriched Transition in Producer Price (CETPP) account was established in 2019 as a means of transitioning the market price from conventional to enriched. Expenses paid from the CETPP account during 2021 were \$4,904,530 (2020 - \$3,189,802), and revenues paid to the CETPP account during 2021 were \$5,428,226 (2020 - \$5,744,181) for a net increase of \$523,696 (2020 - \$2,554,379).

EGG FARMERS OF ONTARIO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 52 WEEK PERIOD ENDED DECEMBER 25, 2021

12. ALLOCATION OF LEVIES AND LICENCE FEES

Egg Farmers of Ontario is responsible for the collection of levies and licence fees from farmers on eggs marketed in Ontario. The levies and licence fees paid by the farmers were allocated as follows:

	<u>Cents per dozen</u>	
	<u>December 25, 2021</u>	<u>December 26, 2020</u>
National IP fee	38.50	33.50
EFC administrative levy	3.45	3.45
Ontario administrative and research levy	2.60	2.60
Ontario reserve	(2.00)	(2.00)
Provincial IP levy	<u>2.90</u>	<u>2.90</u>
Total farmer portion	45.45	40.45
Grading station portion (voluntary)	<u>0.02</u>	<u>0.02</u>
Total levy collected	<u>45.47</u>	<u>40.47</u>

The levy is 1 cent less for Northern Ontario farmers (Zone 9N).

13. CONTINGENCIES

At the date of issuance of the financial statements, there are lawsuits outstanding against Egg Farmers of Ontario. Neither the amounts nor the outcome of these actions are determinable. Therefore, the financial statements have not accrued an amount for possible losses resulting from these actions.

14. COMMITMENTS

Egg Farmers of Ontario has made various commitments for the next five periods:

2022	\$ 2,371,312
2023	925,309
2024	365,309
2025	340,309
2026	<u>88,000</u>
	<u>\$ 4,090,239</u>

EGG FARMERS OF ONTARIO**NOTES TO THE FINANCIAL STATEMENTS****FOR THE 52 WEEK PERIOD ENDED DECEMBER 25, 2021****15. RESEARCH, GRANTS, SCHOLARSHIPS AND MEMBERSHIPS**

DESCRIPTION	RECIPIENT	2021	2020
McGill Project		\$ 763,137	\$ 591,786
LRIC and Research		172,275	172,275
Pullet Growers of Canada Membership		73,597	79,353
Administration	Poultry Industry Council	46,337	46,337
Farm Food Care Ontario		38,850	38,850
Advanced Agricultural Leadership Program		10,000	10,000
Other Sponsorships/Memberships		9,064	8,520
Scholarship for Graduate Student	University of Guelph	5,000	5,000
Ontario Federation of Agriculture		2,500	2,000
Christian Farmers Partnership Sponsor		2,500	0
Ontario Agricultural Hall of Fame		1,500	1,000
Canadian Poultry & Egg Processors		1,390	1,389
Junior Farmers Association			
Sponsorship		1,000	1,000
Canadian Centre for Food Integrity		0	10,000
IEC Membership		0	1,712
		<u>\$ 1,127,150</u>	<u>\$ 969,222</u>

16. INTERNALLY RESTRICTED FOR DISEASE INITIATIVE

This account represents funds received from EFC to cover S.e. related matters. A total of \$212,071 was paid during 2021 (2020 - \$195,140) for expenses related to the disease initiative. During the period, \$690 (2020 - \$36,574) of interest has been earned and has been allocated to the disease initiative account for a net decrease of \$211,381 (2020 - \$158,566).

17. MATERIAL UNCERTAINTY DUE TO THE NOVEL CORONAVIRUS (COVID-19)

During the period and subsequent to period end, the Novel Coronavirus (COVID-19) significantly impacted the economy in Canada and globally. Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of business disruption and the related financial impact cannot be reasonably estimated at this time. This may impact the timing and amounts realized on the organization's assets and its future ability to deliver all services.

18. CORRESPONDING FIGURES

Certain prior fiscal period figures presented for corresponding purposes have been reclassified to conform to the current fiscal period's presentation.

EGG FARMERS OF ONTARIO

EGGS FOR PROCESSING PROGRAM

Schedule I

FOR THE 52 WEEK PERIOD ENDED DECEMBER 25, 2021

<u>Fiscal period ended December 25, 2021</u>		
	52 Weeks 2021	52 Weeks 2020
Revenues		
Farmer EFP revenue	\$ 40,470,496	\$ 34,109,398
EFP farmer refund	<u>(25,106,036)</u>	<u>(11,735,217)</u>
	15,364,460	22,374,181
EFP sales to breakers	<u>2,701,993</u>	<u>10,605,370</u>
	<u>18,066,453</u>	<u>32,979,551</u>
Costs		
Egg purchases	14,527,552	29,680,039
EFP administration costs	52,654	48,482
EFP storage costs	249,346	912,593
Transportation	187,254	493,795
Packaging	73,981	165,928
Grading handling allowance	483,160	1,410,387
National early fowl removal program	393,744	0
Provincial early fowl removal program	1,248,550	0
Early egg removal program	<u>521,268</u>	<u>0</u>
	<u>17,737,509</u>	<u>32,711,224</u>
EFP program revenue	\$ <u>328,944</u>	\$ <u>268,327</u>

EGG FARMERS OF ONTARIO

INDUSTRIAL PRODUCT PROGRAM

Schedule II

FOR THE 52 WEEK PERIOD ENDED DECEMBER 25, 2021

<u>Fiscal period ended December 25, 2021</u>			
	Budgeted 52 Weeks (note 5)	52 Weeks 2021	52 Weeks 2020
Revenues			
IP revenue	\$ <u>99,028,800</u>	\$ <u>136,396,071</u>	\$ <u>100,160,333</u>
Costs			
Egg purchases	98,911,400	136,886,738	99,513,327
Packaging	538,200	661,574	540,096
Labelling and other costs	4,000	28,816	10,291
Grading handling allowance	4,574,700	5,058,040	4,590,820
Field supplies and S.e. testing	<u>170,862</u>	<u>103,390</u>	<u>128,927</u>
	<u>104,199,162</u>	<u>142,738,558</u>	<u>104,783,461</u>
IP program loss	\$ <u><u>(5,170,362)</u></u>	\$ <u><u>(6,342,487)</u></u>	\$ <u><u>(4,623,128)</u></u>

EGG FARMERS OF ONTARIO**ADMINISTRATIVE EXPENSES***Schedule III***FOR THE 52 WEEK PERIOD ENDED DECEMBER 25, 2021**

	Budgeted 52 Weeks 2021 (note 5)	Actual 52 Weeks 2021	Actual 52 Weeks 2020
ADMINISTRATIVE EXPENSES			
Salaries support	\$ 3,072,106	\$ 3,063,104	\$ 2,796,487
Employee benefits	638,391	539,630	585,313
Staff professional development and travel	159,100	142,401	104,225
Travel - fieldstaff	316,977	158,432	215,804
Annual and farmer meetings	466,400	71,631	74,653
Directors			
Per diem	516,500	449,536	526,648
Expenses	112,000	43,181	94,319
Trade	20,580	0	0
FarmGate5	4,250	0	0
HACCP/ACP Third Party Audit	221,000	186,884	118,652
Amortization	394,507	71,346	74,387
Office supplies and printing	63,466	55,975	69,568
Building expenses	257,090	143,832	136,583
Computer maintenance	308,650	355,305	411,606
Professional fees			
Legal	311,974	326,186	249,714
Audit	39,500	50,708	29,999
Consulting	71,200	215,051	59,994
Councilors' grants	30,000	29,000	29,200
Telephone and fax	35,780	38,547	34,643
Postage	26,550	20,415	24,035
Insurance	36,500	28,896	24,834
Bank charges	10,719	11,275	8,724
(Gain) loss on disposal of assets	0	(10,389)	22,004
Bad debts	1,000	0	0
Foodbank donations	<u>250,000</u>	<u>187,500</u>	<u>366,849</u>
	<u>\$ 7,364,240</u>	<u>\$ 6,178,446</u>	<u>\$ 6,058,241</u>