

Unmatched Quality & Service

# DESTINATION

# 2020

*A Journey of Continuous  
Improvement and Performance*



SUSTAINABLE FOOD REPORT

## JBS Canada

## DESTINATION 2020

We define sustainability as responsibly meeting the needs of today, while improving the ability of future generations to responsibly meet their own needs.

## Our Sustainable Food Direction

At JBS Canada, we have a real and meaningful story to share. At the core of our story are our team members who embrace the responsibility and accountability that come with food integrity. We have committed to continually invest in our people, our systems and processes and the infrastructure of our facility. We have set aggressive targets in the areas of sustainability that involve improving the short and long-term performance of our business by balancing the three traditional pillars of sustainability: economic viability, social responsibility and environmental stewardship.

## Our Commitment

- We will remain informed and share global best practices to the benefit of Canada, our valued employees and the communities in which they reside.
- We will always embrace and take leadership in being ethical stewards of entrusted resources — thinking and acting responsibly.
- Making decisions with future generations in mind, we therefore work continuously to reduce our environmental impact.



– David Colwell, President, JBS Canada



## 2020 Sustainability Targets

JBS conducted a Corporate Materiality Analysis (CMA) that identified key areas that our outside stakeholders perceive as most important to measuring the company's sustainability performance. We analyzed data from 2013 to 2015 in each target area, which allowed us to develop comprehensive, data-informed goals and an implementation plan that would achieve measurable improvement in each key target area by the year 2020.



34%

## WATER

Reduce water usage per head by 34%.



90%

## ANIMAL CARE

Achieve 90% or better on our internal animal welfare scorecard\*

\*The "Animal Health & Welfare Scorecard" establishes an index on performance, utilizing key performance indicators that include important handling aspects including: regulatory compliance, daily internal biased and unbiased monitoring, external annual third party audits, and Remote Video Audits of handling activities.

## ENERGY EFFICIENCY



5%

Reduce GHGs by 5%.



4%

Reduce electricity usage per head by 4%



5%

Reduce natural gas usage per head by 5%



30%

## TEAM MEMBER HEALTH &amp; SAFETY

Reduce the number of severe incidents by 30%.

Maintain industry-leading team member engagement and retention levels.

# How We're Meeting or Exceeding Our Goals

We have made investments, implemented standard operating procedures and enforced behavioural changes that have allowed us to make great strides to meet or exceed our 2020 goals.

Through a thorough system of Key Performance Indicators (KPIs), the team at JBS Canada tracks and measures data on a weekly and monthly basis to determine progress related to our sustainability goals. Supervisors and Superintendents are educated and accountable for usage in their respective area, and each week these results are communicated to the management team.

## WATER

### 2020 WATER GOAL

Reduce water usage per head by 34%.

A series of flow meters measure water usage in each production area. This information is collected at the end of every shift and relayed to the area supervisor who is accountable as part of their KPIs. Regular water audits identify inefficiencies, such as a leaking faucet, and the findings are reported weekly. Nozzle restrictors on all hoses maintain pressure while ensuring decreased water use.

## ENERGY EFFICIENCY

### 2020 GHGS GOAL

Reduce GHGs by 5%

We have invested in reducing GHG emissions and have maintained compliance with provincial and federal regulations.

### 2020 ELECTRICITY GOAL

Reduce electricity usage per head by 4%

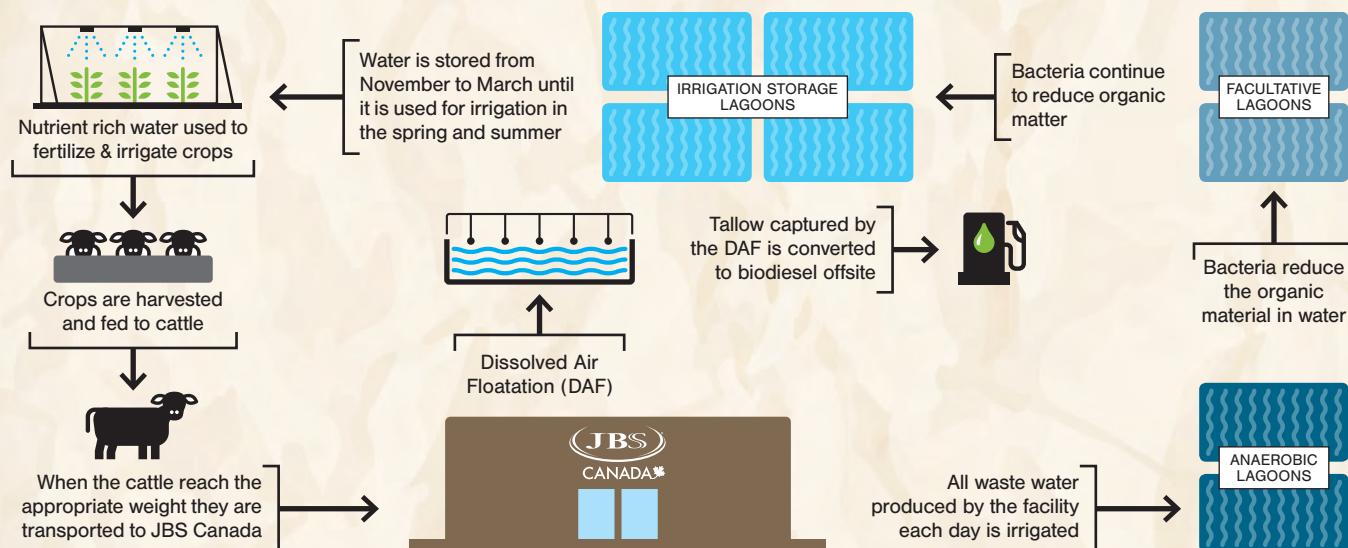
Regular preventative maintenance is performed to ensure equipment is running at its highest efficiency. Energy-efficient LED light bulbs are used in all areas of the facility and team members are expected to shut down equipment when not in use.

### 2020 NATURAL GAS GOAL

Reduce natural gas usage per head by 5%

To reduce the consumption of natural gas in our boilers we have reduced waste heat, installed technology that allows us to recycle heat, and taken measures to keep cooling air away from the boiler furnace.

## OUR WATER TREATMENT SYSTEM IS ESSENTIAL TO SUSTAIN THE ONGOING OPERATION OF OUR FACILITY.



## THE FUTURE IS BRIGHT

In the anaerobic lagoons, bacteria convert the organic material to methane. This is a very viable fuel, therefore JBS is committed to developing eco-friendly and sustainable techniques to utilize it. Some of the projects that JBS plans to complete in the future include:

**TRAP AND FLARE** – By covering the anaerobic lagoons, we will trap the biogas and flare it, which will reduce our GHG footprint by up to 65%.

**COGENERATION UNIT** – The Cogeneration unit will be fueled by natural gas to produce electricity and steam. Eventually we will supplement a portion of the fuel supply with methane from the anaerobic lagoons.



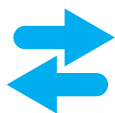
## Team Member Health and Safety

Reduce the number of severe incidents by 30%.

Maintain industry-leading team member engagement and retention levels.

Through many programs related to safety education, internal communication, training and team member recognition, we are proud to build a culture of team work and respect.

As one of the largest employers in southern Alberta, we understand the responsibility upon us to be exceptional corporate citizens. With our facility located near the City of Brooks, within the County of Newell, we maintain a sustainable workforce, providing gainful employment to more than 2,600 individuals who contribute to the well-being of our community and surrounding area.



**Turnover – Maintain industry leading retention levels year over year**

**Provide more than 20,000 training hours annually**



**Continue to reduce severe incidents year over year**

**Continually support community organizations and initiatives**



## Product Integrity

At JBS Canada, we have an unwavering commitment to ensuring the safety of the food we produce. Our food safety systems and protocols meet, and in many cases, exceed requirements set out by national agencies.

### Food Safety:

Goal for overall E. coli O157:H7 prevalence in trimmings (precursor material for ground beef) **less than 0.07%.**



Awarded internal Slaughter Actions For Excellence (S.A.F.E) award in recognition of best food safety performance between all JBS facilities in North America.



Achieved the highest possible grade in the BRC Global Standard for Food Safety audit, which assesses every aspect of the business to validate product safety, integrity, legality and quality.

## Animal Care

Achieve 90% or better on our internal animal welfare scorecard.

All livestock received at our facility are handled in compliance with our approved Standard Operating Programs and animal welfare programs that are monitored daily by trained personnel and verified by the Canadian Food Inspection Agency (CFIA). JBS Canada follows a systematic approach to animal welfare consistent with the AMI Recommended Animal Handling Guidelines and Audit Guide.



### Animal Comfort

- Our animal handling system was designed by Dr. Temple Grandin to ensure a low-stress environment.
- Animal transport companies utilized by JBS must have certification from Canadian Livestock Transport (CLT).
- Holding areas are built and maintained to prevent injury or discomfort, regularly cleaned and are not overcrowded at any time.
- Team members maintain careful and safe interaction with the animals at all times.
- Non-stressful management tactics are utilized, allowing the animals to remain quiet and calm.



### Education & Training

- 100% of our team members who are in direct contact with the animals are trained according to our Animal Welfare Program.



### Accountability & Auditing

- In addition to daily internal monitoring, annual third party audits and CFIA verification of compliance, JBS Canada also utilizes a third party company to perform unbiased monitoring remotely via the cameras that are strategically located at all live animal handling locations.
- Third Party Annual audits are completed by FSNS C&A, an ISO/IEC Guide 65 accredited certification body operating under a quality management system focusing on integrity, impartiality and confidentiality.