



Environmental, Social
and Governance Report

2020-21

FARM CREDIT CANADA

Message from the President and CEO

(GRI 102-14, 102-53)



FCC is the only lender 100% invested in Canadian agriculture and food, serving the industry that feeds the world, inspiring possibility and passion. The year 2020-21 was unique as the COVID-19 pandemic forced individuals, families, businesses and organizations to adapt in ways many of us never previously imagined. The pandemic has also underlined the importance of food security, both here in Canada and around the world. In spite of the various changes we experienced at FCC in the past year, our commitment to our customers and the industry did not change – nor will it waver in the future. We are here to support the long-term health of the Canadian agriculture and food industry.

The decisions we make at FCC are governed by our strategy. Our strategy reflects who we are as an organization and what we stand for. We're committed to promoting an ethical and sustainable

industry for the long term, advancing our own practices, supporting the global and national sustainability goals within our mandate, and sharing our story in a more meaningful way to talk about what FCC is up to and why it matters. For the past 10 years, we've shared this story through FCC's Corporate Social Responsibility (CSR) report. This year, we've given it a new name – the FCC Environmental, Social and Governance (ESG) report. While CSR aims to make a business accountable, ESG criteria make such business efforts measurable. By looking at our operations through an ESG lens, we can ensure our metrics and activities support a vibrant and resilient industry for years to come. I believe this change is timely – just as COVID-19 has forced us to see the world differently, it has also shone a light on how we operate and the long-term positive impacts we can have on the environment and society through the decisions we make at FCC.

ESG at FCC

FCC is a financially self-sustaining federal commercial Crown corporation reporting to Canadians and Parliament through the Minister of Agriculture and Agri-Food. Our team of over 2,100 employees provides financing, knowledge and software to almost 100,000 customers. FCC offers financing and knowledge solutions for every stage of our customers' journey, with special programs for farmers under the age of 40. We lend money and provide other services to support agribusiness and food industries, from start-ups to mature enterprises. We also continue to provide support and strengthen inclusion of under-represented groups in agriculture and agri-food, including women, youth and Indigenous communities.

We support initiatives where our customers and employees live and work. The FCC AgriSpirit Fund provides resources for projects that make positive changes in rural communities. And FCC Drive Away Hunger – our national food drive – has collected more than 80 million meals benefiting food banks and feeding programs in Canada over the past 17 years.

ESG is part of who we are and how we operate. We're committed to the agriculture and agri-food industry in all cycles, and our work helps our customers reach their full potential and enables us to support continued growth, progress and innovation in the industry. As we move more fully into positioning FCC as a leader in ESG, we'll continue to strive to be a catalyst for sustainability in the industry we serve.

Our engaged workforce is committed to advancing the business of agriculture and agri-food, and our corporate values reflect our desire to act with integrity, focus on the customer, achieve excellence, work together and give back to the community.

What we stand for

ESG represents what we stand for. Looking beyond our internal ESG targets and projects to support Government of Canada priorities, we also see an opportunity to contribute on a global scale to the United Nations Sustainable Development Goals.

In 2019-20, we introduced three commitments to articulate what we stand for to help us tell our story in a more meaningful way:

- We contribute to the strength and future of the agriculture and agri-food industry.
- We partner to reduce hunger and enrich rural Canada.
- We operate sustainably and support our customers to do the same.

These three commitments express what we stand for in a way that resonates with our customers, our employees and the greater community, making it easier for everyone to understand what drives us to help our customers achieve their dreams, enable this great industry to grow sustainably and ensure our communities thrive today and into the future.

Our 2020-21 ESG highlights:

Contribute to the future of agriculture and agri-food:

COVID emergency support: From March 2020 to March 31, 2021, 4,919 customers used payment deferral options on loans totalling \$5.6 billion. Over the same period, 1,879 customers were approved for COVID-19 FCC Credit Lines totalling approximately \$400 million. Other products we introduced as part of our COVID-19 response included FCC Operating Credit Term Loans and loans to large customers disrupted by COVID-19, resulting in close to \$485 million of additional financing support.

Free business resources: FCC hosted 45 virtual business knowledge events with over 32,000 attendees in 2020-21. As a result of COVID-19, all in-person events were delivered virtually last year, enabling us to expand our reach and connect with new audiences across the country. We're also re-evaluating our knowledge offering to provide a combination of in-person and virtual events in the future, to gain the benefits of both formats, including a reduced carbon footprint and increased reach. Total views and interactions with FCC's online business management learning content in 2020-21 came in at 844,653.

Mental wellness: FCC funded 31 mental first-aid training courses in partnership with [Do More Ag](#). In 2020-21, FCC hosted 11 virtual events with 6,181 attendees where at least one speaker delivered messages related to mental health.

Next generation of agriculture: FCC lent \$4.6 billion to young farmers and entrepreneurs in 2020-21. We also expanded our Advisory Services offering to enable family farm transitions and provide business consulting to various types of farm and food processing operations.

Support women in agriculture: FCC approved approximately \$500 million in loans as part of our Women Entrepreneur Program in 2020-21.

Venture capital for Canadian agriculture and food: FCC committed \$135 million to three new venture capital funds in 2020-21, including the Indigenous Growth Fund. In addition, FCC made commitments to two new accelerator partners.

Indigenous agriculture: All employees participated in an intensive Indigenous awareness learning program, which serves as a precursor to FCC's Indigenous lending strategy, which is set to roll out in 2021-22. We also advanced our journey toward truth and reconciliation, including a conversation between former Senator and Chief Commissioner of the Truth and Reconciliation Commission of Canada, Justice Murray Sinclair, and senior FCC leaders in February 2021.

Reduce hunger and enrich rural Canada:

Reducing hunger: FCC Drive Away Hunger, our annual food drive, provided over 17 million meals for food banks and feeding programs nationwide, another record-breaking year despite disruptions caused by the global pandemic.

Supporting rural communities: The FCC AgriSpirit Fund contributed \$1.5 million to 92 rural community projects across Canada in 2020-21.

Help in difficult times: The FCC AgCrisis Fund provided support to 342 customers during hard times, including natural disasters, farm accidents, critical illnesses and deaths.

Safety in agriculture: We invested \$124,000 towards agriculture safety in various partnerships and programs such as the Ag Health and Safety Alliance, which supported 675 students in the Gear Up for Ag Health and Safety Program.

Agriculture education: We invested over \$529,000 in various programs, including 4-H Canada and Agriculture in the Classroom, to support the promotion of career opportunities in agriculture.

Support sustainability:

Accelerated digital support for customers: COVID-19 required more digital transactions and fewer face-to-face interactions with our customers. We launched e-signatures for our customers, allowing them to approve documents using an electronic signature – which is both convenient and reduces travel – resulting in more than 30,000 documents signed electronically in 2020-21. We also enhanced our online services to facilitate digital applications for new loans and loan administration requests. This allows customers to self-serve and also decreases the time it takes the FCC Customer Service Centre to approve these requests.

Sustainability benefits related to remote work: Due to COVID-19 restrictions across the country, the majority of our employees worked from home for much of 2020-21, drastically reducing FCC's carbon footprint. Our greenhouse gas (GHG) emissions declined an estimated 2,128 tonnes during this period, mostly related to scope 3 emissions, with a decline of 99.5% in air travel, 76.4% in vehicle travel and 65.5% in paper consumption. The COVID-19 pandemic has caused us to change our business behaviours and many of these changes will lead to permanent reductions in our GHG emissions. FCC is exploring flexible work arrangements that may lead to further GHG reductions, but several decisions must still be made before we can determine what those reductions will look like. It's worth noting that reduced commuter travel among our employees in the future will be a general benefit in GHG emissions that isn't formally tracked by FCC.

Reduce emissions by 40%: We're on track to reduce FCC greenhouse gas emissions by 40% by 2025 through monitoring office energy, air and vehicle travel, and paper consumption, all of which plummeted as a result of COVID-19.

From printing to planting: FCC is part of the PrintReleaf program, which measures paper consumption and converts pages into trees planted in global reforestation projects.

As you can see, there are many moving parts. I'm encouraged by the solid foundation we've built and over the next few years, I'm confident we'll make significant strides and continue to create positive change in the industry.

Being a trusted knowledge partner and champion of sustainable practices will help ensure FCC and the broader industry are set up for long-term success while keeping pace with rapidly evolving expectations and changes in the operating environment. Some of these changes remain in flux at the time of this writing, as we emerge from the COVID-19 pandemic. No matter what these

changes bring, our reason for being remains the same – to ensure producers, agribusinesses and food processors can remain focused on their businesses and produce food to feed the world. FCC is committed to moving our ESG practice forward and I'm excited for the opportunities I see for FCC and the industry we serve.

I invite you to read this report to learn more about our ESG efforts over the past year and to provide feedback to us by emailing esg@fcc.ca.

A handwritten signature in black ink, appearing to read 'Michael Hoffort', with a long horizontal line extending to the right.

Michael Hoffort, President and CEO

Corporate profile

(GRI 102-1, 102-2, 102-3, 102-4, 102-5, 102-6, 102-7, 102-16, 102-48, 102-53, 201-1)

Farm Credit Canada (FCC) is a financially self-sustaining federal commercial Crown corporation reporting to Canadians and Parliament through the Minister of Agriculture and Agri-Food. FCC provides financing and other services to almost 100,000 customers. We're a team of more than 2,100 employees operating from 99 field offices located primarily in rural Canada, a government relations office in Ottawa, Ontario and our corporate office located in Regina, Saskatchewan.

As a federal Crown corporation, FCC is governed by the Farm Credit Canada Act and the Financial Administration Act. Our profits contribute to the development of new products and services, are reinvested in the agriculture and agri-food industry and rural communities, and provide a dividend to the Government of Canada, our shareholder. With a healthy portfolio of \$41.5 billion and 28 consecutive years of growth, FCC is a strong, stable partner dedicated to serving the Canadian agriculture industry through all economic cycles.

(GRI 102-3, 102-4, 102-5, 102-7)

FCC FACTS	
Status	Federal Crown corporation – Farm Credit Act 1959
Corporate office location	Regina, Sask.
President and CEO	Michael Hoffort
Board Chair	Jane Halford
Number of employees	More than 2,100
Number of offices ¹	101
Number of customers ²	Close to 100,000
Office locations	See fcc.ca (Contact)
Public policy	See fcc.ca (About FCC>Governance>Public Policy)
Code of conduct and ethics	See fcc.ca (About FCC>Governance>Transparency>Code of Conduct and Ethics)

¹ 101 reflects the field offices located primarily in rural Canada. We also occupy a government relations office in Ottawa, Ont., and our corporate office located in Regina, Sask.

² FCC customers include all customers with an active loan balance who are primary borrowers, co-borrowers or guarantors for personal and corporate loans, including primary production, agribusiness and agri-food, and Alliances.

(GRI 201-1)

FINANCIAL PERFORMANCE (millions of Canadian dollars)			
	2018-19	2019-20	2020-21
Direct economic value generated			
Revenue	1,622.3 ³	1,764.4	1,576.0
Economic value distributed			
Operating costs	744.8 ⁴	838.4	484.7
Employee wages and benefits	255.4	275.7	287.1
Payments to providers of capital (dividends)	364.0	394.8	0 ⁵
Community investment	4.3	4.2	4.3
Economic value retained (economic value generated less economic value distributed)	253.8 ⁴	251.3	799.9 ⁶

3 Revenue restated due to reclassification of comparative numbers to better reflect foreign exchange transactions and conform to current year presentation. The changes are more representative of financial information from FCC's annual reports. (GRI 102-48)

4 Operating costs and economic value retained have been recalculated to include provision for credit loss. The changes are more representative of financial information from FCC's annual reports. (GRI 102-48).

5 Due to COVID-19, FCC did not provide payments to the provider of capital. Instead, those funds were applied toward the emergency customer measures.

6 The combination of the lowered operating cost and lack of payment to providers of capital explain the increase over previous year's results.

This is FCC's eleventh annual sustainability report. This year, the report name was modified from Corporate Social Responsibility (CSR) report to Environment, Social and Governance (ESG) report to highlight the continuous evolution in FCC's sustainability journey. The report continues to demonstrate our performance in various topics for the 2020-21 fiscal year, highlighting the impacts that our ESG efforts have on our stakeholders. The report also looks ahead to our future commitments

and plans. Throughout the report, key terms have been hyperlinked to the FCC website for further reading. Appendix A on page 88 of this report provides a comprehensive list of FCC's products, services and programs.

In the spirit of continual improvement, we invite you to send us feedback on FCC's ESG priorities and performance by emailing us at esg@fcc.ca.

Our vision

(GRI 102-16)

The full agriculture and agri-food value chain believes FCC is advancing the business of agriculture by providing financial products, services and knowledge tailored to producers and agribusiness operators.

Our customers are advocates of FCC and can't imagine doing business without us. We are socially and environmentally responsible and an employer of choice everywhere we operate. We make it easy for customers and employees to do business. We are financially strong and stable and invest significantly in the agriculture and agri-food industry.

Our mission

(GRI 102-16)

The purpose of the corporation is to enhance rural Canada by providing specialized and personalized business and financial services and products to farming operations, including family farms, and to those businesses in rural Canada, including small and medium-sized businesses, that are businesses related to farming. The primary focus of the activities of the corporation shall be on farming operations, including family farms.

Our values

(GRI 102-16)

We are committed to advancing the business of agriculture. We do this by setting our sights high – working to benefit our customers and to help employees achieve their potential.

Our corporate values represent these core beliefs:



Act with integrity

We are ethical and honest. We treat customers, colleagues and all stakeholders with respect.



Focus on the customer

We care about our customers, and we pride ourselves on providing them with an extraordinary experience based on

personal relationships, flexibility and industry knowledge.



Achieve excellence

We share a commitment to high performance, accountability and efficiency in order to achieve excellence.



Work together

We believe in the power of teamwork. Whether delivering service tailored to customer needs or designing solutions to benefit the industry, we work together as one team.



Give back to the community

We take corporate social responsibility seriously. We believe in giving back to the communities where our customers and employees live and work, striving to reduce our impact on the environment and contributing to the success of the agriculture industry.

Our cultural practices

(GRI 102-16)

In addition to the corporate values, our cultural practices explicitly outline the behaviours employees and Board members are expected to demonstrate at all times with colleagues, customers, partners, suppliers and stakeholders:

1. We hold ourselves and each other accountable for our impact on business results and our impact on people.
2. We hold ourselves and each other accountable for delivering on commitments, agreements and promises.
3. We hold ourselves and each other accountable for building and sustaining committed partnerships.
4. We hold ourselves and each other accountable for creating a safe environment where people can speak up without fear.

5. We measure our success by how others perceive and respond to our leadership, not by our personal point of view.
6. We talk straight in a responsible manner. We are committed to the success of others – we do not engage in conspiracies against people.
7. We listen for contributions and commitment. We do not listen against people or ideas.
8. We are highly coachable. We actively seek and listen to coaching.
9. We clean up and recover quickly.
10. We acknowledge others often and celebrate both small and large successes.

Strategic themes

(GRI 102-16)

FCC has six major, long-term corporate priorities that will enable us to fulfil our vision and mission. We call these priorities our strategic themes.

Our ESG program – our governance, who we are and what we stand for – is woven in these strategic themes, as indicated below:

1. Great customer relationships – (What we stand for)

Great customer relationships are the primary reason customers choose FCC – it is what differentiates us in the marketplace and our focus must always be on strengthening those relationships to remain relevant. Therefore, it's at the centre of our corporate strategy map. Our tagline, "Dream. Grow. Thrive." speaks to the passion we all have for serving our agribusiness and agri-food customers, and the important role we play in their business.

2. Vibrant and successful industry – (What we stand for)

Vibrant and successful industry captures our commitment to the industry and demonstrates where we step into our higher purpose of "serving the industry that feeds the world,

inspiring possibility and passion." When FCC supports the agriculture and agri-food industry, it positively impacts our customers.

3. High-performance culture – (Who we are)

Our high-performance culture speaks to our most important asset: our people. Everything we do at FCC relies on our motivated, engaged and high-performing workforce. Our tag line, "our people, growing and achieving as one," speaks directly to the committed partnerships and 100% accountability that form the cornerstone of our culture, and to our need to create and provide a continuous learning environment. We are one team serving one customer.

4. Execution excellence – (Who we are)

Execution excellence enables our great customer relationships through tools, systems and processes that lead to seamless customer interactions. Our tag line, "bringing ideas to life," speaks to the skill and commitment we bring – and the results we achieve.

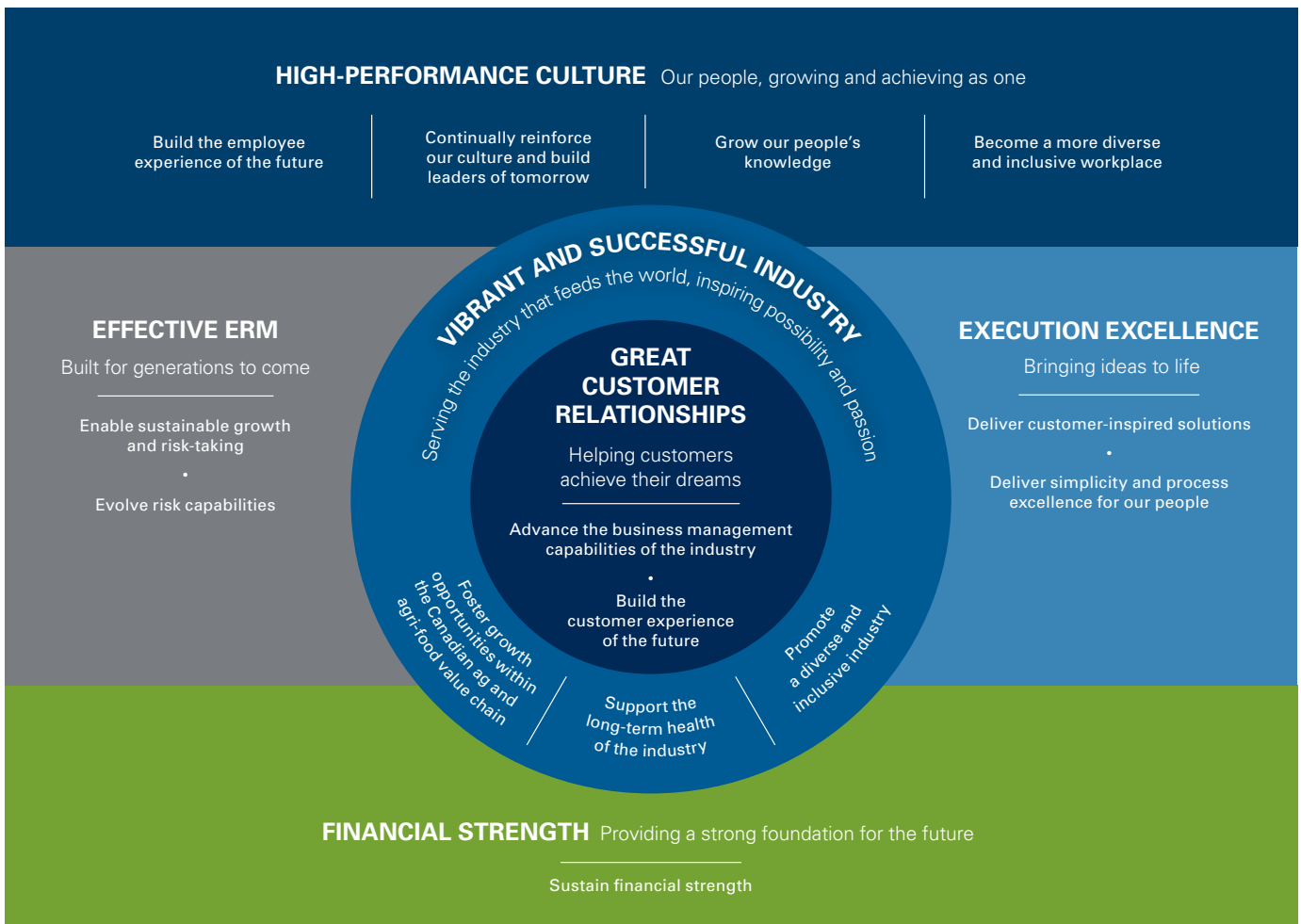
5. Effective ERM – (Governance)

Enterprise risk management helps protect customer relationships as well as FCC's overall financial strength and viability. "Built to last for generations to come" speaks to the commitment we have always had to our customers and the industry – that we are with them through all cycles.

6. Financial strength – (Governance)

Financial strength is our foundation. We need to maintain a strong financial position to serve the industry through all economic cycles and deliver our strategy. Our tag line, "providing a strong foundation for the future," reminds us that FCC is a self-sustaining Crown corporation. Our profits afford us the ability to invest in our organization and the industry to ensure we can grow with and serve Canadian agriculture and agri-food for generations to come.

FCC 2020-21 Strategic Map



Our ESG story

(GRI 102-16)

At FCC, ESG factors are an integral part of what we do and how we do it. They guide how we operate and are essential parts of our commitment to Canadian agriculture and agri-food. Our complete ESG program can be found under Governance, Who We Are and What We Stand For – and we're proud to share FCC's story and our progress in this report.

Governance

Our Governance section outlines how FCC governance decisions are made and who is accountable. It covers which legislation and policies we adhere to. It also outlines our expectations for how we conduct ourselves, as well as expectations for those we do business with.

Who we are

This section addresses how FCC delivers an exceptional employee experience through our engagement efforts, our focus on employee well-being, our efforts in creating an environment where employees feel supported in building their knowledge, skills and abilities, and how we strive to become a more diverse and inclusive workplace.

What we stand for

We're proud to serve the industry that feeds the world. We're always looking at how to advance our own social and sustainable practices, support customers in their own sustainability journeys, act as a catalyst for good, and do the right thing. At FCC, how we do things is as important as what

we do. This is about how we show up every day. And we want to do the right things to ensure the Canadian agriculture and agri-food industry reaches its full potential. We're passionate about helping the industry succeed and we take pride in helping our customers dream, grow and thrive, and FCC is the only lender 100% invested in Canadian agriculture and food.

What we stand for is a reflection of our corporate values – to act with integrity, focus on the customer, achieve excellence, work together and give back to the community. As we continue to evolve, so does our story – together we can serve our industry, communities and our planet for generations to come:



We contribute to the strength and future of the agriculture and agri-food industry.



We partner to reduce hunger and enrich rural Canada.



We operate sustainably and support our customers to do the same.

Stakeholder engagement

(GRI 102-40, 102-42, 102-46)

At FCC, we value the opinions of all our stakeholders, look for opportunities to hear their feedback and ideas, and factor their needs into our business decisions.

We complete an informal stakeholder assessment each year to ensure our key stakeholders have been correctly identified.

Our key stakeholder groups are:

- customers
- employees
- communities
- the agriculture and agri-food industry
- shareholder and elected officials
- the financial sector

FCC's complete stakeholder approach can be found in the tables in Appendix C. Temporary measures adopted for stakeholder engagement activities due to the ongoing pandemic are reflected in the tables.

Key topics and concerns raised by stakeholders

(GRI 102-44)

At FCC, we strive to understand our stakeholders' needs so we can better align our strategies and ensure their input is built into our future activities. We encourage, and are responsive to, open and honest communication with all our stakeholders.

This sometimes requires us to answer some tough questions. Our Senior Leadership Team (SLT) engages with internal stakeholders through the SLT Exchange. It is an online forum for employees to submit questions and acknowledgement to senior management about FCC's policies, practices and procedures. There were 16 ESG-related inquiries in 2020-21. Topics were related to employee learning and development, engagement and well-being, including the future of remote work, home

office expense claims, income tax implications tied to home office expenses, medical benefits expense coverage and extraordinary measures, mental health, vacation time, and the updating of work profiles.

There were also a few notable acknowledgements to show appreciation in the SLT Exchange. Highlighted initiatives included appreciation of the Indigenous awareness training, the interest-free loan offered for computers and home exercise equipment, the increased focus on mental health during the past year, and the agility shown by FCC in providing the necessary tools for employees to work from home in a timely manner.

We maintain an open dialogue with all stakeholders. Our Customer Complaints policy is a commitment to hold ourselves accountable by responding to and resolving complaints at the most appropriate level. All complaints that come in through this channel from customers and the public are treated with discretion on a need-to-know basis. There were 25 customer complaints reported in 2020-21.

FCC's Complaints Officer is within our Law and Corporate Secretary division under the direction of FCC's Vice-President, Law and Corporate Secretary.

Materiality

(GRI 102-46)

FCC conducted a materiality assessment in 2021 to evaluate which material topics are of the highest priority for our key internal and external stakeholders. Stakeholders for this assessment were employees, the Enterprise Management Team and the Board of Directors representing the internal stakeholders, and customers and non-customers in both agriculture production and agri-food representing the external stakeholders. FCC received a total of 1,007 responses from external and internal stakeholders. These responses provided insights on FCC's perceived strengths, areas where FCC could make the most

significant impact and how FCC could best communicate information on our ESG priorities, programs and performance.

Methodology

The methodology used for this assessment aligned with what is prescribed by the Global Reporting Initiative (GRI) Standards for a materiality assessment, which includes three main steps: identification, prioritization and validation. GRI is a non-profit organization that promotes economic, environmental and social sustainability. It provides a comprehensive sustainability reporting framework that is widely used around the world. For more information about GRI, visit globalreporting.org.

The following outlines FCC's approach for this assessment:

- 1. Identification:** The objective of this step is to benchmark and compare sustainability priorities and reporting practices to those of high-performing industry peers. Our research included reviewing each company's website, reports and social media platforms to understand our peers' sustainability focus and level of detail.
- 2. Prioritization:** This step involved online surveys and interviews, guided by FCC Vision and supported by a third-party service provider. This was done to understand the priorities and expectations of key stakeholders, along with perceived risks and opportunities related to ESG at FCC.
- 3. Validation:** This step involved a validation workshop to identify opportunities to strengthen FCC's ESG strategy, where changes or improvements can occur, and to evaluate ESG-related policy based on what was learned from the earlier steps.

Results

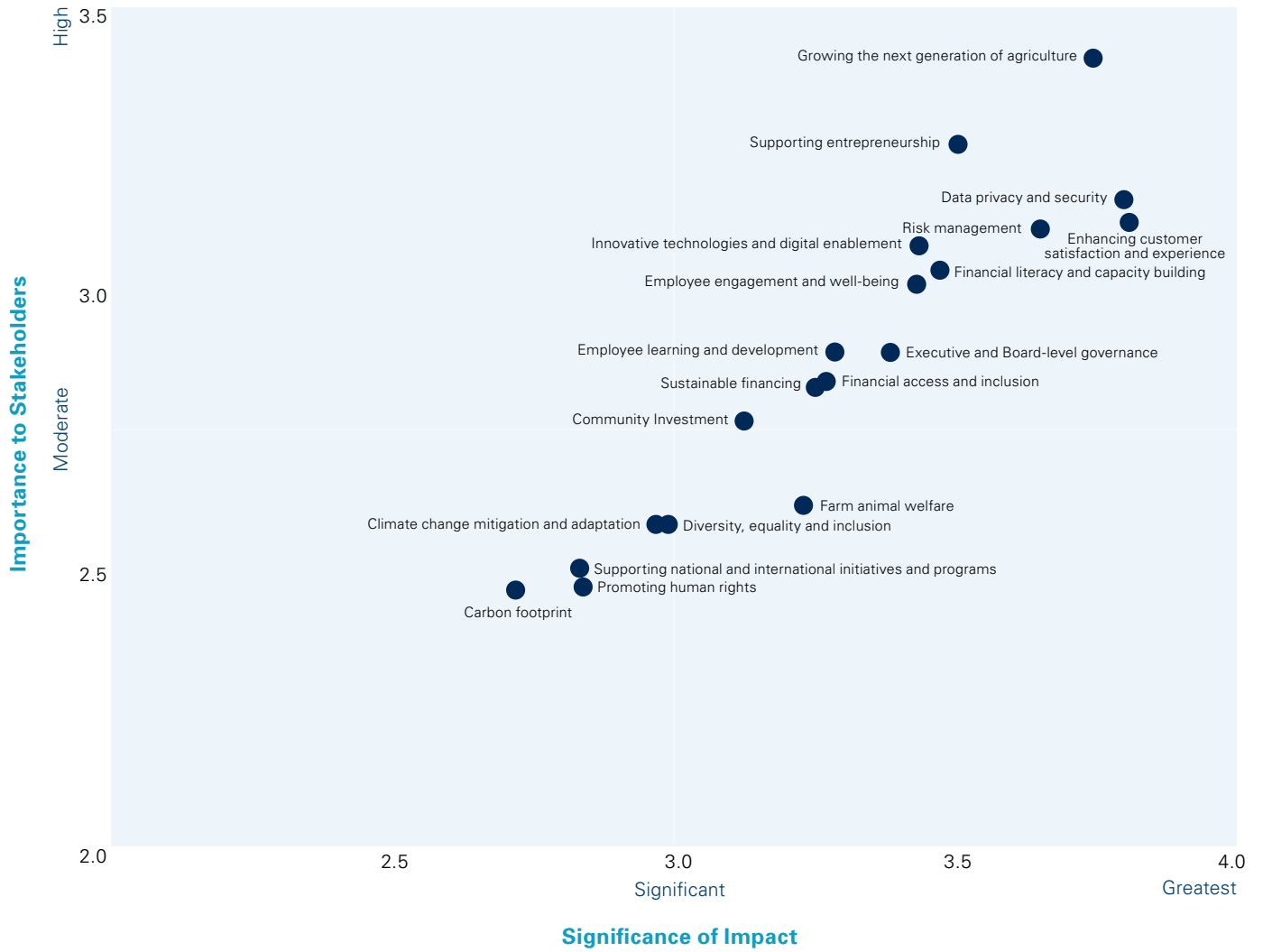
Of the 19 topics surveyed, five topics stood out as the highest priorities when considering both their importance to stakeholders and areas where FCC can have the biggest impact: enhancing customer satisfaction and experience, data privacy and security, growing the next generation of agriculture, risk management and supporting entrepreneurship. While these topics rated the highest, stakeholders rated the remaining topics at least moderately important and, on average, they believe that FCC can have significant impact on these topics. Many of the topics remained unchanged from the previous assessment, although some material topics were updated and new topics were added, including climate change mitigation and adaptation, sustainable financing, supporting national and international initiatives and programs and promoting human rights.

FCC considers the ranking from our stakeholders along with mandate priorities, larger governmental priorities, our risk registry and other sources of data to determine our corporate ESG priorities.

FCC's topics

(GRI 102-46)

FCC's Material ESG Topics



(GRI 102-47: 103-1)

MATERIAL TOPICS AND BOUNDARIES			
FCC material topics	Corresponding GRI disclosure	Impact boundaries (where the impacts occur)	
		<i>Within FCC</i>	<i>Outside FCC</i>
Carbon footprint	GRI 301-1 – Materials (paper) GRI 302-1 – Energy GRI 305-1 – Emissions GRI 305-2 – Emissions GRI 305-3 – Emissions	Employees	Communities where operations exist
Climate change mitigation and adaptation	n/a	Employees, organization	Suppliers, customers, Canada
Community investments	GRI 201-1 – Economic performance		Communities where our customers and employees live and work
Data privacy and security	GRI 418-1 – Customer privacy		Customers
Diversity, equity and inclusion	GRI 405-1 – Diversity and equal opportunity	Employees	Candidates
Employee engagement and well-being	GRI 401-1 – Employment	Employees	
Employee learning and development	GRI 404-1 – Training and education	Employees	
Enhancing customer satisfaction and experience	GRI 102-43 Approach to stakeholder engagement, 102-44 Key topics and concerns raised		Customers
Executive and Board-level governance	GRI 102-18 – Governance structure GRI 205-1 – Anti-corruption 2016	Employees, Board of Directors	Customers, agriculture and agri-food industry, Government of Canada
Farm animal welfare	n/a		Customers, agriculture and agri-food industry
Financial access and inclusion	n/a		Customers, agriculture and agri-food industry
Financial literacy and capacity building	n/a	Employees	Customers, agriculture and agri-food industry

(GRI 102-47: 103-1)

MATERIAL TOPICS AND BOUNDARIES			
FCC material topics	Corresponding GRI disclosure	Impact boundaries (where the impacts occur)	
		<i>Within FCC</i>	<i>Outside FCC</i>
Growing the next generation of agriculture	n/a		Customers and their communities, agriculture and agri-food industry, Government of Canada
Innovative technologies and digital enablement	n/a	Employees	Customers
Promoting human rights	n/a	Employees	Suppliers, customers, customer employees, Government of Canada
Risk management	n/a		Customers, Government of Canada, rural Canada, competitors, agriculture and agri-food industry
Supporting entrepreneurship	n/a		Customers, agriculture and agri-food industry
Supporting national and international initiatives and programs	GRI 102-12 – Externally developed economic, environmental and social charters and/or principles	Employees	Government of Canada, communities
Sustainable financing	n/a		Customers, agriculture and agri-food industry, Canada

Governance

We build relationships with our customers, partners and stakeholders to better understand and support the needs of the agriculture and agri-food industry. We also look to a variety of stakeholders and partners for guidance and expertise in public sector governance practices. FCC is accountable to Parliament through the Minister of Agriculture and Agri-Food. We report to Parliament and Canadians on our operations through our annual report, corporate plan summary and quarterly financial reports, and our Board of Directors provides oversight to ensure FCC is serving the industry and Canadians.

Executive and Board-level governance

(GRI 102-18, FCC 3: 103-2, 103-3)

FCC is governed by the Farm Credit Canada Act and the Financial Administration Act. Like other Crown corporations, FCC is subject to laws such as the Privacy Act, Access to Information Act, Canadian Labour Code, Employment Equity Act and Official Languages Act.

FCC representatives meet with our partners at Agriculture and Agri-Food Canada, Treasury Board of Canada Secretariat, Department of Finance and other federal Crown corporations to ensure our policies and procedures are current and sound. We communicate with Export Development Canada and Business Development Bank of Canada to share ideas and best practices about ways we can work together to benefit customers. We also seek opportunities to work with banks and credit unions to meet our customers' financial needs.

Our Board of Directors contributes to the fulfillment of FCC's continuing long-term purpose of enhancing rural Canada by providing

independent oversight of management and the operations of FCC. Its expertise contributes significantly to the corporation's strategic direction. The Board ensures FCC remains focused on our vision, mission and values, and fulfilling our public policy role as outlined in our mandate and it is responsible for the overall governance of seven major areas:

- integrity (legal and ethical conduct)
- strategic planning and risk management
- financial reporting and public disclosure
- leadership development and succession planning
- government relations and corporate social responsibility
- communications
- corporate governance

Board members are appointed by the Governor in Council upon the recommendation of the Minister of Agriculture and Agri-Food. Except for the President and CEO, Board members are independent of management. FCC and the Board follows the Government of Canada's process regarding the appointment of directors to fill vacancies.

The Board is composed of up to 12 members, including the President and CEO and the Chairperson. Directors serve terms of generally up to four years and may be reappointed. They bring a combination of agriculture, business, legal and financial experience to the task of governing a corporation that serves an increasingly complex industry. The Minister of Agriculture and Agri-Food announced two re-appointments and three new appointments to FCC's Board of Directors effective May 21, 2021. Board renewal is important for effective corporate governance and we welcome the insights and expertise of our new and continuing directors, with thanks to our departing members for their contributions.

The Board's Corporate Governance Committee assists the Board in fulfilling its oversight responsibilities with respect to corporate governance of the corporation. This includes overseeing FCC's strategic planning processes, code of conduct, strategy regarding ESG, government relations and Board renewal.

FCC has a dedicated ESG team responsible for developing and executing our strategy, establishing goals and targets, and reporting progress to our shareholder, key stakeholders and the public through FCC's annual report and ESG report. FCC's Enterprise Management Team oversees our ESG program and is responsible for decision-making on environmental, economic and social impacts as well as our corporate governance factors.

For more information on Board committees, visit fcc.ca to read our 2020-21 Annual Report (About FCC > Governance). To learn more about Board of Directors and the Enterprise Management Team, visit fcc.ca (About FCC > Corporate Profile > Leadership).

Code of conduct

(GRI 102-16)

At FCC, acting with integrity and maintaining the highest ethical standards are fundamental priorities. On appointment, and every year during his or her tenure, each director signs a declaration committing to, among other things, act in accordance with FCC's Code of Conduct and other FCC policies applicable to Board members. The Board has also approved a Board Integrity Policy which includes a process to handle complaints and disclosures of potential violations of the code by the President and CEO, his or her direct reports, and Board members.

FCC's Code of Conduct guides how we behave in our business relationships. FCC's Integrity Officer promotes awareness and understanding of the Code of Conduct on behalf of the CEO and the Board, and ensures employees have a safe environment for disclosing wrongdoing in the corporation. Employees are accountable to report in good faith code of conduct violations to their managers, FCC's Integrity Officer or the ConfidenceLine. The ConfidenceLine is available 24 hours a day, 365 days a year, to employees and members of the public who want to confidentially report possible violations by employees. Violations may include fraud and theft, breaching laws and regulations, not addressing conflict of interest situations, falsification of corporate records, ethics violations and releases of confidential or proprietary information. Employees and the public also have the option to go to the Public Sector Integrity Commissioner of Canada to report possible violations under the Public Servants Disclosure Protection Act (PSDPA).

FCC's Integrity Officer reports to the Board annually compliance with the Code of Conduct to ensure integrity and effectiveness, including anonymized information on possible violations of

the code and ongoing employee education and awareness. Disclosures and investigations under the PSDPA are subject to certain confidentiality provisions. Within 60 days after the end of each financial year, the Integrity Officer on behalf of the President and CEO must also prepare and submit to the Chief Human Resources Officer at the Treasury Board Secretariat of Canada a report on the activities respecting disclosures made under the PSDPA.

FCC's Code of Conduct applies to all employees, including permanent, term, contract and work placements. Compliance is a condition of employment, and all new employees must complete online training on the code as part of their onboarding curriculum and sign a declaration confirming their understanding of the code and commitment to comply with it. All active employees are also required on a quarterly basis to participate in training and, on an annual basis, to complete and submit a declaration to reaffirm their understanding of the code and their commitment to uphold it.

FCC's Integrity Officer works in our Law and Corporate Secretary division under the direction of FCC's Vice-President, Law and Corporate Secretary.

Data privacy and security

(GRI 418-1: 103-2, 103-3)

Privacy and data security are of vital importance to Canadians, and controlling the collection, use and disclosure of personal information has become a pressing issue facing the financial services industry, including FCC. FCC is committed to safeguarding the personal information of our customers and employees and has prioritized ongoing efforts to prevent the unauthorized disclosure of confidential and personal information.

FCC is subject to Canada's Privacy Act, administered by the Office of the Privacy Commissioner of Canada. We must limit the collection, use and disclosure of personal information, provide appropriate security to guard against a loss or misuse of information and provide individuals with a right of access to the personal information FCC holds about them as required by law.

FCC has a Privacy and Access team that manages compliance with the Privacy Act, including access to information requests, and provides oversight of the policies and processes that guide the corporation in identifying and managing privacy risks. Concerns and complaints about FCC's privacy practices or our compliance with the Privacy Act can be escalated to the Office of the federal Privacy Commissioner, who acts as an independent ombudsman to resolve privacy problems and oversee compliance with the Privacy Act.

Our Privacy and Access team is responsible for processing requests for information disclosures. Only those access to information requests under the Access to Information Act are listed publicly, as requests made under the Privacy Act are protected. FCC tables annual reports under both Acts that state the number of requests received. There were 14 access to information requests under the Access to Information Act reported in 2020-21.

Incidents, breaches and complaints: A privacy incident occurs when a breach of personal information is suspected but hasn't been confirmed. A privacy breach involves the confirmed improper or unauthorized collection, use, disclosure, retention or disposal of personal information. In other words, once a privacy incident is confirmed, it becomes a privacy breach. When incidents and breaches are reported to the Privacy and Access team, they are

assessed, contained, processed and risk assessment methodology is applied to understand the risk to individuals and FCC. FCC then takes steps to notify affected individuals to ensure accountability while working to mitigate recurrence and impact. No breaches that occurred in the fiscal year were assessed to be material nor were any complaints filed with the office of the federal Privacy Commissioner.

Promoting privacy protection: We expect employees to respect privacy and integrate privacy protection into their day-to-day business operations:

- FCC's Code of Conduct makes all employees accountable for protecting the personal information in their care. A breach of privacy is treated as a serious matter and may result in discipline up to and including termination of employment.
- FCC maintains an internal Privacy policy and an online [Privacy policy](#) on our public website.
- Privacy training is provided as part of the orientation for all new employees, and privacy information is included in FCC's online integrity training or awareness activities completed on a quarterly basis by all employees, and advanced training is also available to employees in roles that support the management of privacy risk.
- Resource materials on privacy protection are available to all employees. For example, our customer experience standards, which all employees are required to follow, include privacy and confidentiality standards and guidelines.

Data security: FCC adheres to industry standard frameworks such as the National Institute of Standards and Technology (NIST) to ensure effective capabilities and controls for the safeguarding of information.

Much of FCC's IT infrastructure is outsourced to service providers. Security standards are documented and included in all appropriate service

agreements, and service providers are subject to recurring audits by FCC. We regularly conduct penetration tests of our IT systems and continually update and upgrade our cyber security with the help of industry experts. To date, we haven't experienced a privacy breach due to third-party intrusion into our IT systems.

In 2020-21, both technology and process-driven advancements were made to continuously improve FCC's maturity in protecting the confidentiality of personal information in all digital and paper-based solutions and processes while also addressing new and emerging issues introduced by the COVID-19 work environment. Ongoing activity to maintain and improve management of risks in this area will continue into the next fiscal year.

We continue to raise awareness among employees through education and communication about the importance of privacy, information protection and cyber security, and we strive to continually improve the policies, systems and tools we use to secure personal information and protect it from unauthorized collection, use and disclosure.

Compliance with the Privacy Act is managed by FCC's Privacy and Access team in our Law and Corporate Secretary division under the direction of FCC's Vice-President, Law and Corporate Secretary.

Data security is the responsibility of the Executive Vice-President and Chief Information Officer.

Anti-corruption and bribery

(GRI 205-1: 103-2, 103-3)

Corruption and bribery are acts within a broader range of financial crimes, including money laundering, fraud and terrorist financing. As financial crimes increase on a global scale, every business in every industry is susceptible – and FCC is no exception.

In Canada, domestic bribery and corruption are governed under the Criminal Code, which prohibits various forms of corruption, including bribery of various officials, frauds on the government, breach of trust by a public officer, secret commissions, and various corrupt accounting and record-keeping practices.

To mitigate the risk of financial crimes, such as corruption and bribery, FCC implemented a comprehensive risk-based program that starts with knowing with whom FCC transacts or enters into a business relationship. We know most of our customers, partners and vendors operate with reputable business practices aligned with our integrity expectations, however, to protect the integrity and reputation of FCC as a responsible lender and partner in the agriculture and agri-food industry, we have measures in place to identify those who may pose a higher risk for corrupt practices. Prior to onboarding new customers or authorizing subsequent financing for existing customers, we complete name screening against designated person, sanction, global watch lists and politically exposed person databases. Additional diligence measures such as bankruptcy searches, provincial and federal court searches and negative media searches are conducted using a risk-based methodology to identify any red flags that may suggest a higher risk to FCC. Similar diligence measures are conducted prior to entering business relationships with Alliance partners and vendors.

Internally, FCC's Code of Conduct requires that employees be aware of and comply with the laws and regulations applicable to our business activities and uphold the integrity of FCC in relationships with colleagues, customers, third parties, members of the public and government stakeholders. Employees are responsible to report any violations by other employees, Board members or third parties dealing with FCC, without fear of intimidation or retaliation. Such violations can be reported to a leader, the FCC ConfidenceLine or directly to the FCC Integrity Officer.

We know this type of due diligence matters to our customers. All employees have a role to play in FCC's risk governance strategy, which is built on the three lines of defence model that includes risk taking (first line), risk challenge (second line) and assurance (third line) functions.

Specific roles in the first, second and third lines are required to complete "know your customer" training to better identify financial crime red flags, assess and execute related risk management controls and do their part to protect FCC. Ongoing training and awareness are provided as FCC's risks evolve in light of changes in the industry or in our product offerings or delivery channels. All employees receive annual training on FCC's Code of Conduct and the Values and Ethics Code for the Public Sector.

FCC continues to enhance our risk management practices to better understand our customers, partners and vendors and to apply sound risk-based diligence measures prior to onboarding or maintaining business relationships. Doing business with integrity, focusing on good governance and complying with regulatory and legislative guidelines will help protect FCC against corruption and ensure we maintain our reputation as a trusted partner in the vibrant agriculture and agri-food industry. No significant risks tied to corruption have been identified in 2020-21.

The responsibility for managing anti-corruption practices lies with the Executive Vice-President and Chief Risk Officer.

Risk management

(FCC 10: 103-2, 103-3)

As a federal financial Crown corporation with a mandate to support the agriculture and agri-food industry, risk is inherent in virtually all FCC activities. FCC has governance, systems and processes in place to maintain enterprise risk management practices consistent with federally regulated financial institutions. Each major category of risk is governed by a Board-approved

policy that details how risks are to be identified, assessed, managed, monitored and reported in accordance with FCC's risk appetite.

The Board of Directors oversees FCC's enterprise risk management framework to ensure risk management is integrated with strategic, financial and operating plans. FCC's Chief Risk Officer leads an independent risk division and supports the Board with its oversight accountabilities. Risk management is integrated across business units and governed through various senior leadership management committees to enhance business performance through efficient, effective and aligned risk-taking and decision-making behaviour.

Effective risk management helps protect customer relationships and FCC's overall strength and viability. FCC will continue to evolve our risk capabilities to protect our ability to deliver exceptional customer experiences over the long term. Doing so will ensure continuously changing customer preferences and demands for seamless transactions and decisions can be met while new and changing risks remain appropriately managed.

In an ever-changing industry, responding to our customers' business needs requires a consistent understanding of credit risk and lending concepts. FCC continues to build the knowledge of our employees involved in lending decision-making through training and education. We designed our credit learning and performance program to provide employees involved in lending decisions with a consistent understanding of credit risk and lending concepts. New courses have been added this past year to enhance knowledge and skills around problem-solving and effective communication in difficult lending situations.

To gauge progress on effective enterprise risk management, FCC has adopted an external enterprise risk management maturity measure. The measure uses a five-point scale and a maturity model developed by a global advisory firm that indicates how mature FCC's enterprise risk management practices are in the areas of risk governance, risk assessment, risk quantification, risk monitoring and reporting, and risk and control

optimization. A measure of 1.0 is considered basic, 3.0 is mature and 5.0 is advanced. FCC's long-term objective is to remain greater than 3.5, and this considers the corporation's size and complexity of operation as well as the ever-evolving nature of risk management standards. FCC has remained above 3.5 for the past five years and is at 3.9 for the 2020-21 fiscal year.

Advancements made to our crisis management and preparedness processes enabled us to respond effectively to COVID-19. FCC's foundational business continuity plans and flexible work-from-anywhere technology allowed FCC to quickly adapt processes to enable employees to work from home. The enterprise crisis response team continued to monitor increasing restrictions across the country as provinces experienced a third wave of infections and higher presence of variants of concern, shifting employee attendance to offices as required by provincial guidance and restrictions. Although timing for a gradual return to the office remains uncertain, FCC is laying the foundation for re-entry and a hybrid work environment in fall 2021.

Risk management practices are the responsibility of our Executive Vice-President and Chief Risk Officer.

Social and sustainable management framework

(GRI 102-16)

FCC acknowledges that a significant majority of our customers do the right thing when it comes to sustainable management practices. With that understanding, FCC's social and sustainable commitment is outlined under four pillars that support our long-term vision for social and sustainable management:

- **Society:** our commitment to the highest level of integrity in all our business dealings
- **Environment:** our commitment to business practices that minimize impact on air quality, land and water

- **Animal care:** our commitment to the respect and protection of the well-being of animals
- **Labour:** our commitment to follow and promote Canada's labour standards

Our commitment is to work with customers and industry to understand the issues they face. We commit to help them identify and resolve issues in a way that generates a positive impact on society while minimizing the risks associated with their businesses. We understand that standards and public opinion are evolving and customers will face challenges in implementing sustainable management standards and practices. We accept that not all customers will progress at the same pace. We're committed to supporting the industry over the long term and through all cycles, and helping our customers develop or enhance their social and sustainable practices is another way FCC supports agriculture. FCC's commitment is intended to improve sustainability practices in the agriculture and agri-food sector. Customers who are purposefully non-compliant to this commitment may be demarketed or declined.

Farm animal welfare

(FCC 4: 103-2, 103-3)

In recent years, the market has seen increasing focus on stewardship standards set by retailers and expected by consumers that are affecting the farm animal welfare practices of agribusinesses and producers. FCC continues to attend board meetings at the National Farm Animal Care Council as an associate member to better understand what this means for the industry and our customers.

FCC has a principles-based approach to social and sustainable management practices, with one such practice being farm animal welfare. The approach outlines FCC's commitment to promoting the respect and protection of animals based on a generally accepted, contemporary, scientific understanding of animal welfare that has emerged from the recognition that animals are sentient beings, in accordance with the National Farm Animal Care Council.

Animal welfare is referenced in our Reputation Risk from Applicants and Customers policy. The policy states: "FCC will not finance people or businesses that deliberately violate provincial or federal laws or regulations regarding the care and treatment of animals." Animal welfare is also mentioned in our risk appetite statement: "We commit to working with customers to understand the material issues they face and help them identify and address these in a way that generates a positive impact on society, animal welfare and the environment. We accept that not all customers will progress at the same pace."

At FCC, there are many ways of reporting issues concerning farm animal welfare. Any wrongdoing by customers, dealers, retailers or their customers, vendors or venture capital partners can be sent to a centralized team who specializes in dealing with sensitive customer and employee integrity incidents.

Lending policies that consider farm animal welfare practices are the responsibility of our Executive Vice-President and Chief Risk Officer.

Promoting human rights

(GRI 102-9, FCC 9: 103-2, 103-3)

FCC supports producers in maintaining high standards of integrity by understanding and recognizing human rights risks in their labour force and supply chain, including forced labour and child labour, and ensuring temporary foreign workers are protected by Canada's labour laws. Expectations for those who do business with FCC are outlined as part of the labour section of our social and sustainable management framework. Customers must sign an Integrity Declaration form at loan origination and our reporting of possible integrity issues covers everything from financial crimes to human rights violations under the Canada Labour Code.

We follow all applicable laws and regulations, including the Canadian Human Rights Act and the Employment Equity Act. In addition, we commit to:

- avoid causing or contributing to adverse human rights impacts
- engage in stakeholder dialogue to identify human rights issues in agriculture and work with stakeholders to ensure ongoing learning and improvement
- work with customers and others we do business with to create a culture of sustainable human rights practices
- provide a process for employees to identify and report any suspicions of violations of laws and regulations

Our customers are required to follow provincial standards related to the health and safety of their employees. They must also follow federal regulations such as the Immigration and Refugee Protection Regulations, which include the Temporary Foreign Worker Program and the Seasonal Agricultural Worker Program.

In 2020-21, FCC strengthened its credit due diligence practices by providing increased clarity to employees on how to proceed when customers have temporary foreign workers to ensure they comply with federal regulations and provincial occupational or workplace health and safety regulations.

Our industry and the food supply chain depend on the respectful, safe and supportive treatment of foreign workers. FCC wants to support customers to ensure they can face the ongoing challenges tied to the requirements surrounding quarantine accommodation, living conditions, personal protective equipment, working conditions and the monitoring of health for these workers. To help our customers navigate these challenges, FCC will continue to assess our customers' practices regarding temporary foreign workers post-pandemic and identify if there are improvements we can support.

Lending policies that consider the promotion of human rights are the responsibility of our Executive Vice-President and Chief Risk Officer.

The responsibility for FCC's application of the Canadian Human Rights Act and Employment Equity Act pertaining to employees resides with the Executive Vice-President and Chief Human Resources Officer.

How FCC supports human rights within our business is covered under the Who We Are section of this report. (Who we are – Diversity and inclusion)

Responsible supply chain

(GRI 102-9)

Our supply chain is typical of a business office operation (office supplies, equipment, office furnishings, apparel and other promotional items). FCC has a Procurement and Vendor Risk Management policy that outlines a set of controls and policies to support fair consideration of suppliers and appropriate risk management for FCC and our shareholder. This policy follows the advice and recommendations of the Treasury Board of Canada Secretariat.

In 2020-21, we released our new Supplier Code of Conduct as part of our vendor management strategy. It provides new and existing suppliers with the processes and best practices that we expect them to follow. Employees who manage contracts can hold our suppliers accountable for their ethical and moral business practices as well as the quality and delivery of the goods and services they provide. With this new tool, we can ensure the suppliers we work with share our values and reflect what we stand for.

Significant changes during the reporting period to the supply chain

(GRI 102-10)

There were no major changes in suppliers in 2020-21.

Supporting national and international initiatives and programs

(GRI 102-12, FCC 12: 103-2)

At FCC, we're always looking beyond our own internal ESG targets and projects to better support national and global goals that align with our values and practices. We want to do our part to contribute to the United Nations Sustainable Development Goals (UN SDGs) and support those where FCC's mandate can help address global sustainability challenges. We know it takes the collaborative efforts of all business and countries to collectively tackle these global challenges. Our three commitments – we contribute to the strength and future of the agriculture and agri-food industry, we partner to reduce hunger and enrich rural Canada, and we operate sustainably and support our customers to do the same – help address global sustainability issues as identified in the UN SDGs of [Zero Hunger](#) and [Responsible Consumption and Production](#). Both align to where we're going as an organization in terms of sustainability, speak to what our customers are up to when it comes to producing safe and healthy food, support the millions of Canadians who face food insecurity⁷ and identify where we can explore opportunities to have a bigger impact.

To track our progress, we've identified metrics in our performance trends scorecard and commitment charts that contribute to UN SDG 2: Zero Hunger and UN SDG 12: Responsible Consumption and Production. Look for the UN SDG icon to see the work we've done to contribute to these goals.



As FCC advances our ESG practices and targets, we'll identify where FCC is making a difference in terms of the specific sub-goals identified in UN SDG 2 and 12 and explore the possibility of further aligning to other UN SDGs.

FCC also supports the Government of Canada's priorities such as the Federal Sustainable Development Strategy. It sets out the federal government's environmental sustainability priorities, establishes goals and targets and identifies actions to achieve them. FCC's internal carbon footprint and emission reduction strategy ([page 75](#)) is built within the spirit and intent of this strategy.

As the only lender 100% invested in Canadian agriculture and food, we see a role for FCC to reinforce the Food Policy for Canada, starting with the reduction of food waste. For more information on FCC's activities pertaining to food waste reduction to date, [go to page 55-56](#). In the coming year, FCC will explore additional opportunities to support the Food Policy for Canada.

Memberships of associations

(GRI 102-13)

For a list of organizations FCC holds memberships with, or otherwise supports, refer to [Appendix B](#) of this report.

⁷ Source: <https://www150.statcan.gc.ca/n1/pub/45-28-0001/2020001/article/00039-eng.htm>

Who we are

We're a team of more than 2,100 employees operating from 99 field offices located primarily in rural Canada, a government relations office in Ottawa, Ontario, and our corporate office in Regina, Saskatchewan. We support initiatives where our customers and employees live and work. We foster a culture of accountability, partnership and diversity – and deliver an exceptional employee experience.

Material issues

Employee engagement and well-being

(GRI 102-44, 401: 103-2)

Employee engagement and well-being are very important to FCC. When employees are intellectually and emotionally committed to FCC, they're more likely to speak positively about the corporation, stay with us for the long term and strive to do their best every day. When employees are inspired to give that extra effort to work with their colleagues in an environment of 100% accountability and committed partnerships, it helps create an extraordinary customer experience that inspires customer loyalty and sets FCC apart in the marketplace.

FCC conducts an annual employee engagement survey as one way to listen to our employees. FCC uses a third-party vendor, Kincentric, to administer the survey to protect employee confidentiality. Typically, more than 80% of employees complete the survey each June. In the 2020-21 survey, 88% of our employees participated in the survey. FCC's 2020-21 employee engagement score was 90%, an increase of five percentage-points from the previous year. This score places FCC in Kincentric's Canadian Top Quartile of employers, the cut-off score required to be considered in the

Canadian Top Quartile was 78%. Kincentric assesses Best Employers on four principal criteria: employee engagement, organizational agility, engaging leadership and talent focus. FCC's score places us on Kincentric's Best Employers in Canada list, the 18th consecutive year FCC has been on the list.

Each year, survey results are shared with leaders, who engage their teams in conversations around the employee experience and come up with action plans to continue deepening and sustaining engagement. These plans are all reviewed by Human Resources to identify common themes and any potential gaps in the employee experience that need to be addressed at a corporate level.

To help maintain high levels of employee engagement and well-being, our competitive and comprehensive pension and benefits program supports the overall health of our employees and their dependents. In addition, we provide the flexibility for employees to opt up, down or out of some benefits, or opt up and pay more for enhanced benefit coverage and various optional insurance. FCC supports employees with retirement planning by providing tools, information, education and resources.

Over the years, FCC has developed a holistic action plan on mental health that is intended to ensure we remain deliberate in our focus of

creating a stigma-free work environment for our employees. In conjunction with FCC's long-standing commitment to a high-performance culture of partnership and accountability and our existing benefits and wellness programs, this action plan meets the needs of our employees. FCC hosts an annual mental health awareness week during the same week as Bell Let's Talk Day with tactics aimed at employees and managers to help raise awareness and reduce stigma. To further raise awareness and reduce mental health stigma, FCC continues to use and promote Not Myself Today®, which was developed by the Canadian Mental Health Association. Not Myself Today® aligns with the federal government's mental health objectives and enables employees to support each other's mental health with the assistance of volunteer mental health ambassadors across FCC.

In 2020-21, due to the challenges caused by COVID-19, we increased our focus on supporting employees and leaders to maintain our employee experience and well-being. Examples include a more robust feedback approach through pulse surveys; increased communication with leadership to support employees through articles, videos, webinars and communication through Yammer; and free access to the Headspace® mindfulness app for all employees. Enhancements to psychology benefits were made to support increased coverage for counseling and mental wellness professionals, along with access to BEACON digital cognitive behavioral therapy. In addition to tools and articles on mental health topics, leaders were provided with the opportunity to take Mental Health First Aid, a course from the Mental Health Commission of Canada designed to help leaders recognize potential mental health issues and intervene if a team member is experiencing a crisis. FCC put additional emphasis on promoting existing resources and benefits to help employees navigate personal and professional challenges associated with the pandemic.

In 2020-21, we completed a review of our Harassment-Free Workplace policy and procedures, followed by a rollout to employees, including training. Our Harassment and Violence policy and procedures support and encourage a workplace free from all forms of harassment and violence and incorporate amendments to the Canada Labour Code (Bill C-65) that was enacted on January 1, 2021. FCC rolled out a training program to promote a healthy workplace that is protected from all forms of violence, harassment, bullying and discrimination, with a focus on defining unacceptable behaviours and practices, highlighting prevention and protecting the privacy of the individuals involved.

FCC continues to offer the Employee Crisis Fund, which shows compassion and extends a bit of financial help (up to \$1,000) to employees facing difficult circumstances. In 2020-21, there were 31 employees who received a total of \$24,200 from the fund. The program is co-funded by FCC and voluntary contributions from employees.

Employee learning and development

(GRI 404: 103-2, 103-3)

FCC fosters a culture where learning is encouraged and supported by management and our employees' success in meeting their learning objectives is measured and recognized. Given that FCC is a knowledge-based organization, it is critical that our employees have the learning and knowledge they need to perform in their roles with confidence.

In 2020-21, FCC implemented a comprehensive learning strategy to modernize the design and delivery of employee learning. The goal is to provide employees with foundational learning, as well as tools and knowledge at the point of need, to support on-the-job performance. This blended approach encompasses formal and informal learning opportunities, including e-learning, post-secondary education, internal and external

learning events, job shadowing, coaching and mentoring. As part of the on-demand learning application via Workday Learning, as of March 31, 2021, 592 internally created learning programs are available for employees, including an additional 204 externally sourced learning programs. Topics include lending, skill development, risk management, culture, leadership and health and safety. Of these courses, our offerings include:

- Point-of-need training piloted in 2020-21. It provides in-the-moment help and easy access to procedural maps for the Customer Service Centre and National Operations team. The full release is planned for 2021-22.
- Foundational onboarding, the Operations onboarding program, was offered to 328 learners in 2020-21, and 187 Operations staff have graduated to date.
- The Credit Learning and Performance Program offers credit learning to nearly 600 employees.

FCC offered learning to help employees adjust to a work-from-home environment during the pandemic, with a focus on behaviours, skills and relationships. Courses include topics such as staying productive when working virtually, collaborating virtually, etc. We developed learning and job aids to support redeployment of non-customer-facing employees with lending experience to help us meet increased demand for lending brought on by industry needs and to enable FCC's customer support programs. FCC also created a new resource to help managers onboard and orient new employees in the work-from-home environment.

In addition to learning required for their jobs, employees are encouraged to consider broader, self-directed learning. Our Employee Development policy requires all permanent employees to engage in meaningful conversations with their managers about their development. In 2020-21, 1,223 employees submitted their individual

development plans. Typically, employees focus on two aspects of growth – development in their current jobs and preparing themselves for future career opportunities.

Positive leadership and a great culture are at the very heart of the FCC employee experience. We're committed to developing leaders who genuinely care about their teams, live our culture, listen with curiosity, communicate openly and are authentic and vulnerable. The FCC leadership framework offers a formal development program to support new leaders during the first two years in their roles, helping them develop who they are as leaders and the critical skills and capabilities needed to excel.

In 2020-21, FCC continued to roll out the 12-month Leadership Transformation Program to all new leaders virtually. The program focuses on participants applying key learnings to stretch their leadership skills. The program continues to use the feedback tool called the Leadership Circle Profile, with 130 leaders completing the profile in 2020-21. This year, we used it as a foundation on which to develop our virtual Leadership Effectiveness Workshop, which featured topics ranging from leadership development, personal purpose and radical humanity to truth and reconciliation.

FCC's refreshed culture strategy called the Culture Plus Challenge continued to be deployed through 2020-21. Phases 1 to 3 of the Culture Plus Challenge were rolled out in the two previous fiscal years, while Phase 4 – Share Feedback – was rolled out in 2020-21. Throughout these phases, employees were asked to complete various activities, including learning modules, hands-on activities and conversations. Phase 5 – Create Commitments – will be deployed in 2021-22. This year, FCC also enhanced our culture supports to enable a strong culture in our virtual workplace.

Based on feedback from the corporation, and to help reduce requests of leaders and all employees at a busy time of year, FCC did not launch our formal talent review process through our Workday system in 2020-21. To ensure FCC continues to make informed talent decisions, our Human Resources division provided the latest succession data to the Enterprise Management Team with a request that they update their respective divisional succession plans. In the first quarter 2021-22, HR partners will work closely with the Enterprise Management Team to update, analyze the data and address areas of opportunity and strengths regarding candidate readiness, flight risk, loss impact and areas for candidate development.

We measure progress through our annual employee engagement survey, which includes six statements focused on learning and development:

- This organization actively supports the learning and development of its employees.
- The learning programs provided by this organization provide me with the knowledge and skills necessary to do my job effectively.
- I have the knowledge I need to perform my work tasks with confidence.
- Employees are encouraged to continuously upgrade and increase their knowledge and education.
- I have the knowledge I need to consistently create value for my customers and/or partners.
- I believe that employee knowledge creates a competitive advantage for this organization in the marketplace.

In the 2020-21 employee engagement survey, FCC's score across the Learning and Development dimension was 86%, up three points over the previous year's survey.

Diversity and inclusion

(GRI 405, FCC 9: 103-2)

As a federal Crown corporation, FCC is committed to building a workforce that reflects the diversity of its customers and the Canadian workforce as a whole. To this end, FCC is undertaking a variety of tactics to ensure FCC is a welcoming and inclusive workplace that can attract and retain talent from diverse backgrounds. Diversity makes us stronger – keeping us innovative and competitive now and in the future by enabling us to benefit from different perspectives, abilities and strengths. It enriches our culture and positions us for long-term success so we can continue to serve and advance the Canadian agriculture and agri-food industry. Under the Employment Equity Act, FCC is required to make progress in creating a level playing field for all employment equity groups.

In 2020-21, we rolled out the final year of our three-year diversity and inclusion strategy. This strategy focuses on three key components – attraction, hiring and retention, and advancement of diverse employees. For the upcoming fiscal year, FCC will execute the first year of our new diversity and inclusion strategy. The strategy will continue to look at how we can enhance our ability to attract, hire, retain, develop and advance employees who are members of under-represented groups.

FCC executed the first year of our Indigenous Employment Equity Plan, which focuses on five strategic themes: (1) workforce supply and Indigenous talent and candidate readiness, (2) Indigenous recruitment, retention and advancement, (3) partnership, (4) Indigenous workplace inclusion and (5) accountability. Cross-cultural awareness activities continued in the work-from-home environment, including knowledge sharing through online platforms. Employees received formal online training to increase awareness of diversity issues and celebrate differences. In response to the Truth

and Reconciliation Commission of Canada's Call to Action #57, Indigenous awareness training, created by 4 Seasons of Reconciliation®, was rolled out to all employees. As of March 31, 2021, 99% of employees have completed the Indigenous Awareness Training.

FCC's Diversity, Equity and Inclusion team continued to organize an annual calendar of events, including activities during National Indigenous History Month and throughout the year to build awareness of Indigenous culture within FCC and the community. They provide employees with additional support and a sense of belonging by covering topics around workplace barriers, community outreach, volunteer opportunities and cultural activities. We continued our contracts with post-secondary institutions for the Indigenous Student Empowerment Fund, which provides Indigenous students in business or office education who are struggling financially with funding for needs such as food, rent, transportation, computers and household bills.

When asked in our annual employee engagement survey about diversity and inclusion, 92% of employees understand that FCC is committed to building a diverse workforce and 90% believe FCC is taking actions to become more diverse and inclusive.

We also engaged several organizations to partner on recruitment opportunities to increase workforce diversity and inclusion. FCC's summer student application process for our corporate office received 287 applications, of which 94 were self-declared from under-represented employment equity groups and 13 were hired. FCC continues to support inclusion of employees with intellectual disabilities through the 4to40 program. We've hired five employees through that program and wish to expand in the future.

FCC is committed to advancing the diversity of our workforce and ensuring FCC is a workplace that is inclusive and free from overt and covert racism and discrimination, creating a

psychologically safe workplace for all. Global events have heightened awareness of the need for individuals and organizations to continually advance their understanding of what it means to be inclusive, and more recently, the importance of being anti-racist. In 2021-22, FCC will focus on the following items:

- Deepen employee understanding of the importance of inclusion and anti-racism.
- Provide employees, leaders and teams with resources to advance their team focus on identifying, addressing and removing bias in their activities and operations.
- Review FCC's policies and practices with an anti-racism lens.
- Embed anti-racism and inclusion practices in key human resources policies, practices and systems.

The following policies and processes are in effect at FCC pertaining to diversity and inclusion:

- Harassment-Free Workplace policy
- End-to-end talent supply process (along with accompanying hiring policies)
- Canadian Human Rights Act (1998)
- Employment Equity Act (1995)
- Canadian Multiculturalism Act (1988)
- Official Languages Act (1988)

Goals and targets pertaining to employee engagement, learning and development, and diversity and inclusion can be found in the Who We Are – Performance Trends table on [pages 32-33](#).

The responsibility for managing succession planning, employee engagement, training and learning, and diversity and inclusion resides with the Executive Vice-President and Chief Human Resources Officer.

(GRI 401: 103-3)

PERFORMANCE TRENDS: Who we are					
Measures	2018-19 performance	2019-20 performance	2020-21 performance	Impact of 2020-21 performance	Future plans
Priority: Sustain and grow our culture					
Employee engagement score (Kincentric survey) Target: Rank within Canadian Top Quartile (78%) as identified by Kincentric	85%	85%	90%	The employee engagement and culture index targets were both achieved. Our employees value our culture and understand that it's foundational to our ability to serve our customers and work successfully as a team.	Maintain employee engagement within the Canadian Top Quartile identified by Kincentric.
Culture Index (Kincentric survey) Target: Maintain Culture Index score of 80% or above	81%	81%	85%		Maintain a Culture Index score of 75% or above across FCC as measured in the Kincentric survey.
Priority: Enhance leadership capabilities throughout the organization					
Manager Effectiveness score (Kincentric survey) ⁸ Target: Rank within the Canadian Top Quartile (77.1%) as identified by Kincentric	78.7%	77.8%	85.4%	The leadership satisfaction target was achieved. When employees feel supported, valued and inspired by their leaders, they are more likely to stay at FCC and to give their all to serving our customers.	Maintain a leadership satisfaction score within the Canadian Top Quartile as identified by Kincentric.

⁸ The Manager Effectiveness score is created by averaging the scores of questions related to how managers perform in supporting various aspects of the employee experience for employees.

(GRI 405: 103-3)

PERFORMANCE TRENDS: Who we are					
Measures	2018-19 performance	2019-20 performance	2020-21 performance	Impact of 2020-21 performance	Future plans
Priority: Build a workforce that reflects the diversity and linguistic duality of our customers and the qualified Canadian workforce					
<p>New diversity candidates hired</p> <p>Target: 16% of new hires to be diversity candidates</p>	15%	18.5%	18%	<p>The new diversity candidates hired and second language training targets were both achieved.</p> <p>Diversity makes us stronger at FCC – keeping us innovative and competitive now and in the future by enabling us to benefit from different perspectives, abilities and strengths.</p> <p>Bilingualism contributes to the vitality of FCC and we're committed to the equal status of Canada's official languages as we deliver products and services and communicate with customers, employees and stakeholders.</p>	<p>Ensure a total of 18% of new hires are diversity candidates.</p> <p>Explore a new linguistic measure.</p> <p>Continue to implement updated diversity and inclusion strategy tactics and activities designed to enhance FCC's ability to attract, hire and retain diverse employees.</p>
<p>Number of employees enrolled in second language training</p> <p>Target: Continue to offer second language training for employees</p>	<p>55</p> <p>learning English: 23</p> <p>learning French: 32</p>	<p>48</p> <p>learning English: 20</p> <p>learning French: 28</p>	<p>59</p> <p>learning English: 26</p> <p>learning French: 33</p>		

Information on employees and other workers

(GRI 102-8)

TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT CONTRACT (permanent and temporary), by region			
	2018-19	2019-20	2020-21
British Columbia	65 64 P 1 T	69 67 P 2 T	77 75 P 2 T
Alberta	204 195 P 9 T	220 206 P 14 T	223 212 P 11 T
Saskatchewan	1,063 975 P 88 T	1,127 1,041 P 86 T	1,180 1,082 P 98 T
Manitoba	74 72 P 2 T	87 83 P 4 T	91 87 P 4 T
Ontario	289 278 P 11 T	305 287 P 18 T	318 294 P 24 T
Quebec	139 130 P 9 T	153 139 P 14 T	161 143 P 18 T
New Brunswick	90 85 P 5 T	100 91 P 9 T	104 93 P 11 T
Nova Scotia	13 12 P 1 T	17 17 P 0 T	16 16 P 0 T
Prince Edward Island	9 9 P 0 T	9 8 P 1 T	8 8 P 0 T
Newfoundland and Labrador	2 2 P 0 T	3 2 P 1 T	2 2 P 0 T
Total	1,948	2,090	2,180⁹

9 FCC uses "more than 2,100" as our employee number, which includes active, leave without pay and paid leave permanent employees. However, for the purposes of this report, and as per Global Reporting Initiative (GRI) criteria, this employee number also includes short-term (less than six months), student and term (greater than six months) employees.

(GRI 102-8)

TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT TYPE (full-time and part-time), by gender			
	2018-19	2019-20	2020-21
Female	1,209 1,159 F/T 50 P/T	1,302 1,252 F/T 50 P/T	1,351 1,306 F/T 45 P/T
Male	739 734 F/T 5 P/T	788 779 F/T 9 P/T	829 822 F/T 7 P/T
Total	1,948	2,090	2,180

(GRI 102-8)

TOTAL NUMBER OF EMPLOYEES BY EMPLOYMENT CONTRACT (permanent and temporary), by gender			
	2018-19	2019-20	2020-21
Female	1,209 1,128 P 81 T	1,302 1,201 P 101 T	1,351 1,241 P 110 T
Male	739 694 P 45 T	788 740 P 48 T	829 771 P 58 T
Total	1,948	2,090	2,180

(GRI 401-1)

TOTAL NUMBER AND RATE OF NEW EMPLOYEE HIRES AND EXITS by gender and region						
	2018-19		2019-20		2020-21	
	Hires	Exits	Hires	Exits	Hires	Exits
British Columbia	5 4 F 1 M	7 2 F 5 M	10 6 F 4 M	11 7 F 4 M	5 4 F 1 M	2 0 F 2 M
Alberta	11 5 F 6 M	17 11 F 6 M	14 8 F 6 M	14 8 F 6 M	11 7 F 4 M	7 4 F 3 M
Saskatchewan	41 28 F 19 M	41 26 F 15 M	79 46 F 33 M	54 27 F 27 M	40 21 F 19 M	31 20 F 11 M
Manitoba	5 4 F 1 M	5 5 F 0 M	5 2 F 3 M	1 1 F 0 M	5 2 F 3 M	3 1 F 2 M
Ontario	10 2 F 8 M	10 4 F 6 M	19 9 F 10 M	14 7 F 7 M	13 6 F 7 M	16 8 F 8 M
Quebec	8 1 F 7 M	7 5 F 2 M	17 11 F 6 M	9 5 F 4 M	9 4 F 5 M	11 7 F 4 M
New Brunswick	3 2 F 1 M	5 4 F 1 M	6 3 F 3 M	3 1 F 2 M	3 3 F 0 M	4 3 F 1 M
Nova Scotia	0 0 F 0 M	0 0 F 0 M	1 0 F 1 M	0 0 F 0 M	1 1 F 0 M	2 2 F 0 M
Prince Edward Island	2 1 F 1 M	0 0 F 0 M	0 0 F 0 M	1 0 F 1 M	0 0 F 0 M	0 0 F 0 M
Newfoundland and Labrador	0 0 F 0 M	0 0 F 0 M	0 0 F 0 M	0 0 F 0 M	0 0 F 0 M	0 0 F 0 M
Total	91 47 F 44 M	92 57 F 35 M	151 85 F 66 M	107 56 F 51 M	87 48 F 39 M	76 45 F 31 M

(GRI 401-1)

TOTAL NUMBER AND RATE OF NEW EMPLOYEE HIRES AND EXITS by age group						
	2018-19		2019-20		2020-21	
	Hires	Exits	Hires	Exits	Hires	Exits
Under 30 years	27	14	51	15	24	6
30-50 years	58	44	95	54	50	27
Over 50 years	6	34	5	38	13	43
Total	91	92	151	107	87	76

Diversity and equal opportunity

(GRI 405-1)

BY MANAGEMENT¹⁰ VS. NON-MANAGEMENT¹¹ AND GENDER			
	2018-19	2019-20	2020-21
Management	277 130 F 147 M	304 144 F 160 M	321 158 F 163 M
Non-management	1,671 1,079 F 592 M	1,786 1,158 F 628 M	1,859 1,193 F 666 M
Total	1,948	2,090	2,180

10 Management refers to any employee who has direct and/or indirect reports.

11 Non-management refers to any employee with no direct and/or indirect reports.

(GRI 405-1)

BY MANAGEMENT¹² VS. NON-MANAGEMENT¹³ BY AGE GROUP¹⁴		
	2019-20	2020-21
Under 30 years	330 0 M 330 NM	389 0 M 389 NM
30-50 years	1,297 218 M 1,079 NM	1,356 242 M 1,114 NM
Over 50 years	463 86 M 377 NM	435 79 M 356 NM
Total	2,090	2,180

12 Management refers to any employee who has direct and/or indirect reports.

13 Non-management refers to any employee with no direct and/or indirect reports.

14 FCC began measuring this information in 2019-20.

Employee survey results – ESG

(GRI 401, 405: 103-3)

Each year, several ESG-specific questions are included in the Kincentric employee survey. Since 2018, all scores have either increased or remained at high levels. We attribute this to several factors, including increased communication to employees

about FCC's ESG efforts through our ESG report, in particular our environmental efforts, support for the industry, FCC Drive Away Hunger and other community investment initiatives.

Here's a snapshot of our survey questions and results, including a comparison to Kincentric's Top Canadian Quartile:

	2018	2019	2020	Top Canadian Quartile
This is a socially and environmentally responsible organization.	93%	91%	93%	87%
We have a work environment that is accepting of diverse backgrounds and ways of thinking.	95%	90%	88%	91%
This organization is fair, respectful and honest with customers/clients.	95%	95%	97%	92%
This organization has an excellent reputation in our local community.	96%	95%	96%	88%
It is important to me that this organization is socially and environmentally responsible.	87%	88%	90%	N/A ¹⁵
This organization considers long-term social and environmental impacts when it makes decisions.	88%	88%	89%	N/A ¹⁵
This organization's mission provides meaningful direction to me.	n/a	90%	90%	77%

¹⁵ These are custom questions developed by FCC and they aren't asked of other survey participants; therefore a comparator is not available.

What we stand for

Our commitment: We contribute to the strength and future of the agriculture and agri-food industry.

We support the development of a sustainable, competitive and innovative Canadian agriculture and agri-food industry. We do this by providing financing, knowledge and farm management software, and by supporting initiatives and forming partnerships that make the industry stronger. This industry is poised for significant growth in the years to come – we take our role in ensuring the success and vibrancy of the nation’s agriculture and agri-food industry to heart. Our goal is to help the industry and our customers, including initiatives that will support underrepresented groups such as young producers, women and Indigenous entrepreneurs and producers achieve their full potential.

Material issues

Growing the next generation of agriculture

(FCC 6, FCC 7: 103-2, 103-3)

More than ever, FCC recognizes the importance of engaging the next generation in Canada’s agriculture and agri-food industry. Supporting the next generation of producers is one of the top priorities for FCC and our stakeholders. According to Canada’s most recent Census of Agriculture¹⁶ in 2016, the average age of Canadian agricultural producers was 55. The number of new operators under 35 in Canada is on the rise, and the opportunity exists for young people to enter and contribute to the industry, including coming back to the family farm. However, the price of farmland, start-up costs, and access to capital or credit can

be significant barriers for both generational and non-generational future operators. Young farmers have also identified challenges with navigating family dynamics and intergenerational farm transfers. FCC’s presence in agriculture puts us in a unique position to help facilitate that important process.

We have multiple offerings to help the next generation through these financial barriers. The Young Farmer Loan is aimed at producers under 40. The FCC Starter Loan, aimed at young producers and agribusiness operators between 18 and 25 obtaining their first loan, offers lending up to \$50,000 for the purchase of an agriculture-related asset or a company share. Both products offer flexible financing terms at discounted rates and fees. Qualifying loans also receive a free subscription to FCC’s AgExpert Software to start young producers off on the right foot with respect to record-keeping and financial literacy.

¹⁶ Source: <https://www150.statcan.gc.ca/n1/daily-quotidien/170510/dq170510a-eng.htm?indid=10441-1&indgeo=0>.

Young producers play a key role in a vibrant, sustainable industry and FCC works hard to engage this next generation of producers. Last year, we held one virtual Young Farmer Summit. This event is for anyone under 40 involved in agriculture and agri-food and features real-world advice from engaging speakers. Topics for this event included disruption in agriculture, having an adaptation mindset, farm transitions, financial strength and mental health.

Successful transition and farm asset transfer is one of the most significant issues in Canadian agriculture. Transitioning a farm from one generation to the next is one way for young producers to get their operations started. In response to this issue, FCC offers advisory services to assist producers with the farm transition process, including coaching, connections with advisors, resources and services. In 2020-21, advisory services completed 626 client engagements. We also launched a transition campaign that included new articles, transition-focused webinars, two special newsletter editions and advertising to promote awareness. In the Knowledge section of FCC's website, we released 30 English and 28 French articles related to transition. In 2020-21, FCC's website saw an increase of 315% in new visitors in the transition section compared to the previous year. We continue to develop this section of the website as a learning path related to growing financial literacy within the next generation of agriculture with new content published on a weekly basis. FCC saw an increase in page views for all content by 224% compared to the previous year.

We also offer the FCC Transition Loan to help both the buyer and seller in a farm transition. For the buyer, the loan provides the ability to purchase over time while building equity quickly and offers flexibility when it comes to down payment requirements. For the seller, the purchase is

guaranteed by FCC and allows them to receive payments over time, which may result in tax advantages.

The responsibility for growing the next generation of agriculture is shared with our Executive Vice-President and Chief Marketing Officer and our Executive Vice-President and Chief Operating Officer.

Supporting entrepreneurship

(FCC 11: 103-2, 103-3)

FCC is the leading provider of financing to the agriculture and agri-food industry in Canada, with a focus on small and medium-sized businesses. FCC is committed to helping the Canadian economy reach its full potential by supporting the Government of Canada's target to grow agri-food exports to \$75 billion annually by 2025.

While agriculture and primary producers will always be FCC's priority and core business, we continue to evolve how we serve the agribusiness and agri-food industry to support the entire agriculture value chain in a comprehensive way.

Agriculture and agri-food is a capital-intensive business and FCC works to provide access to capital and other tools to help new entrepreneurs succeed. FCC offers a Young Entrepreneur Loan for operators under 40, with features such as reduced fees to help them get started in their businesses. This loan product includes a more flexible disbursement of 18 months and allow customers to use personal property as security.

FCC's venture capital program objective is to partner with entrepreneurs, investors and other industry participants to foster innovation and support the development of strong Canadian companies in the agriculture and agri-food industry. This objective will be achieved through three main streams of work – increasing funding for early-stage enterprises, expanding funding for

growth and later-stage operations, and partnering with organizations to strengthen the ecosystem of support, advice and expertise for early-stage operations.

Through fund investment, FCC will look to fill gaps in the marketplace and ensure access to capital for companies in all life cycle stages of business and all sectors of agriculture and agri-food across Canada. FCC also partners and provides funding to support organizations such as accelerators and incubators that provide advice and support services such as mentorship, business knowledge and expertise, and industry connections to new entrepreneurs and growing businesses. In 2020-21, FCC signed two new partnership agreements with accelerators focused on the agriculture industry and committed capital totaling \$155 million to four new venture capital funds, including \$100 million to a fund established to support proven, viable companies through unexpected business disruptions such as the COVID-19 pandemic.

The responsibility for managing this work is shared between our Executive Vice-President and Chief Operating Officer for lending operations and our Executive Vice-President and Chief Financial Officer for the venture capital program.

Financial access and inclusion

(FCC 5: 103-2, 103-3)

FCC supports and strengthens Canadian agriculture, agribusiness and agri-food, which means providing financial access to those who face barriers to entry into the industry. FCC identified three key groups upon which to enhance our focus, including women in agriculture, young people in agriculture and Indigenous peoples.

Women in agriculture: Today, more women are farming and the roles of women on the farm continue to evolve. According to Canada's most recent Census of Agriculture¹⁷, women accounted for 28.7% of farm operators – nearly 78,000 of 272,000 farmers in total. FCC is committed to increasing the proportion of women-owned and women-led businesses in Canada and helping women in agriculture and agri-food thrive. The federal government initiated a women entrepreneurship strategy in 2018 to help these entrepreneurs grow their businesses with access to financing, talent, networks and expertise.

As a federal Crown corporation, FCC saw the opportunity to support this strategy by increasing the proportion of women-owned businesses through increased access to capital and skill development opportunities.

In 2018-19, FCC conducted extensive research and determined:

- Women have a need for increased access to capital to start or grow their businesses.
- Women have skill development needs and want support to enhance their leadership effectiveness, negotiation, networking and coaching skills.
- They're also seeking tools to gain business and financial knowledge to grow their businesses.

There are many tools, resources and value-added content available across Canada, although feedback from women shows they're unaware of where to access the information to support their skill development and knowledge needs and build their confidence.

¹⁷ Source: <https://www150.statcan.gc.ca/n1/daily-quotidien/170510/dq170510a-eng.htm?indid=10441-1&indgeo=0>.

Through the FCC Women Entrepreneur Program, FCC committed \$500 million over three years in support of the FCC Women Entrepreneur Loan to provide women with increased access to capital. The program was very successful again this year, reaching \$497 million in lending and surpassing \$1.1 billion in total lending since the program began three years ago. Under this loan, FCC waives up to \$1,000 in processing fees and encourages borrowers to reinvest those savings into personal and professional development that best suits their individual needs and the needs of their growing businesses.

FCC held two virtual Women's Summits, one in each official language, in 2020-21. The events are structured to focus on financial literacy, soft skill development, leadership and inspiration. To promote skill development through value-added offerings and strategic partnerships, we supported various provincial women in agriculture groups, agriculture organizations, and women in business organizations across Canada, sponsoring 15 events.

Young people in agriculture: This topic is covered under the material topic Growing the Next Generation of Agriculture on [page 40](#).

Indigenous peoples: Supporting the social and economic inclusion of Indigenous peoples is a priority for FCC. Canadian agriculture and agri-food represent a significant economic opportunity available to Indigenous communities across Canada. Ensuring Indigenous communities and peoples can apply their land and traditional knowledge through greater access to business, advisory and lending services in the agriculture and agri-food industry is important for Canada and the industry.

FCC is aware of the historical challenges and continues to work with industry partners on emerging best practices to address the unique barriers associated with the Indian Act related to taking on-reserve security, as well as training, agriculture knowledge and farm management to support Indigenous communities that are re-entering the agriculture sector and often have not farmed their land for decades. Over the year, we reviewed our practices to help meet these needs and challenges and prioritize opportunities where we can help. We believe this will contribute to our commitment to help enhance Indigenous involvement in agriculture.

In 2020-21, FCC engaged with various outreach programs across Canada. We contributed research to a *Journal of Aboriginal Economic Development* article on navigating opportunities and challenges, and presented a webinar through the Council for the Advancement of Native Development Officers (CANDO). We facilitated the Alberta Land, Air, Water forum, and co-presented findings of the Indigenous Agriculture survey as part of the CANDO Webinar Wednesday series. FCC also participated in sponsorships such as the Saskatchewan Economic Development Alliance and the First Nations Major Projects Coalition.

Responsibility for managing financial access and inclusion is shared between the Executive Vice-President and Chief Marketing Officer and Executive Vice-President and Chief Operating Officer.

Financial literacy and capacity building

(GRI 102-43, FCC 6: 103-2, 103-3)

FCC's presence in agriculture puts us in a unique position to be a catalyst for continued growth and progress and to contribute to the industry, farm families and rural communities. Through strategic planning efforts, we're taking a more deliberate approach to fostering growth in agriculture and agri-food and are looking at new ways to meet the professional needs of this sophisticated industry. We work hard to deliver value well beyond the loan transaction. We want to help our customers obtain, improve and retain the skills, knowledge tied to business management, and financial literacy. FCC does this by sharing knowledge online, in publications, in person and through our learning events. We believe sound financial management is essential to succeed in agriculture.

Through our FCC programs we offer support in farm financial management targeted to agriculture producers across Canada. One of the ways we do this is through our AgriSuccess magazine, which is delivered four times a year to over 75,000 readers. In each edition, we feature a column called Your Money that discusses various financial topics relevant to producers, including succession planning, accounting and taxes. In addition, FCC Knowledge Newsletter, formerly known as FCC Express, is an online publication that focuses on business content.

Through FCC's newly enhanced tools available on our public website, we share knowledge and insights that enrich the lives and businesses of customers and non-customers alike. FCC's learning offerings in business management and financial literacy include two new categories in the [knowledge section](#) of our website: economics and managing people. FCC's knowledge and events are offered to help producers and agribusiness and agri-food operators manage the risks they encounter in their day-to-day operations. FCC's Business Essentials provide insights and learning opportunities to help managers develop their financial management and risk management skills, including:

- Borrowing basics
- Understanding debt
- Understanding and managing cash flow
- Using statements and ratios to assess financial success
- Managing your financial risk
- Farm tax planning: the basics
- Know your cost of production for better decision-making

Improving financial literacy for our customers and non-customers is one of the many ways FCC can contribute to a vibrant and long-lasting Canadian agriculture and agri-food industry, ensuring its strength for generations to come.

Another way we promote financial literacy and capacity building is through our FCC AgExpert software programs – AgExpert Field and AgExpert Accounting. These programs come with built-in tools that make it easier for producers to analyze data, create strategies and track their performance. The software, along with webinars and training sessions, go a long way to growing the business expertise of producers and operators.

FCC has been offering advisory services with Agriculture Transition Specialists since 2018. This service aims to augment the knowledge and expertise that our Relationship Managers share with customers every day. Our specialists partner with Relationship Managers to coach and support farm families so they can achieve their transition vision while preserving the farm and the family. Our goal is to have specialists available to customers and non-customers across the country who need help determining what their transition plan looks like.

Responsibility for managing financial literacy and capacity building lies with the Executive Vice-President and Chief Marketing Officer.

Enhancing customer satisfaction and experience

(GRI 102-43, 102-44, FCC 2: 103-2, 103-3)

In today's marketplace, customers have many options to choose from, and as a result have very high expectations whether they deal with us in person, online or on the phone. To meet and exceed our customer expectations, we have customer experience principles that guide employees to deliver an intentional customer experience. These principles provide clarity on the experience we want to deliver to our customers at every touch point.

We measure how we're doing at providing an extraordinary customer experience. The Net Promoter Score® (NPS) is a customer advocacy measure that allows FCC to compare the customer experience we offer to other recognized companies. The overall NPS was 74 for 2020-21.

In 2020-21, we implemented a transactional customer feedback program at our field offices and Customer Service Centre (CSC) to improve the customer experience as part of our customer feedback program. The program is designed to help make it easier to serve our customers by using feedback to identify and remedy significant pain points.

We also introduced an Effort Score Survey to gather feedback from employees on value delivered during a customer transaction and to identify pain points to optimize the customer experience.

Support and promote the industry: An important component of FCC's industry support involves mental health support for Canadians involved in farming and those living in rural Canada. Results from the 2016 National Survey of Farmer Mental Health indicate that 40% of producers would feel uneasy about seeking professional help, 35% of producers met the criteria for depression classification, 45% were classified as having high stress and 58% of producers met the criteria for anxiety classification.¹⁸

FCC offered multiple initiatives in 2020-21, including expanding our partnership with the Do More Agriculture Foundation to provide 31 mental health first aid training sessions to rural communities. Articles related to mental health were shared through FCC's social media accounts. We also contributed to the Union des producteurs agricoles newsletter by providing wellness information. Our *Rooted in Strength* mental health publication was updated throughout the year and is available for download on the FCC website. Our wellness section on the site includes links to [Crisis Services Canada](#) and the [Do More Agriculture Foundation](#) and other resources. Given the importance of reaching producers with mental health messages, FCC hosted 11 events with at least one speaker addressing mental health. Other mental health support initiatives are included in the What We Stand For section of this report under the education portion of enriching rural Canada.

FCC continues to promote Canada's Agriculture Day as a means of increasing public awareness of agriculture. This year was the fifth edition and its theme was once again Forks Up for Canadian Ag and #CdnAgDay. We replaced our in-person Ottawa event with a virtual fireside chat on Canada's potential as a global food supplier, featuring industry and thought leaders. There were over 1,500 participants to the event, including national industry groups, producers, policy makers and post-secondary students.

In 2012, Agriculture More Than Ever (AMTE) was created to instil pride in the agriculture and agri-food industry and to help change perceptions of consumers who didn't understand how their food was produced. This meant attracting industry stakeholders and turning them into great partners, creating "advocates" in the community, and participating in conversations about public trust in food. We're very proud of our work in building and leading this program and felt it was time for FCC to transition the program's leadership to the Canadian Centre for Food Integrity (CCFI). CCFI will take on AMTE and work with other like-minded groups to advance public trust in the

¹⁸ Source: <https://www.ourcommons.ca/Content/Committee/421/AGRI/Brief/BR10199410/br-external/UniversityOfGuelph-e.pdf>

agriculture industry. CCFI has become a leading, unbiased voice on all things food-related in Canada. FCC will continue to support the public trust conversation through our communication channels and lead the organization of the Ottawa-based conference associated with Canada's Agriculture Day.

FCC also launched #WeFeedTogether as a show of support for the essential role of those working in the food value system and to raise awareness of the important work they do on a daily basis. FCC also wanted to promote and support the consumption of Canadian food; #WeFeedTogether video campaign amassed over 23 million impressions over the span of three months.

The responsibility for customer experience lies with the Executive Vice-President and Chief Operating Officer and supporting and promoting the industry lies with the Executive Vice-President and Chief Marketing Officer.

Innovative technologies and digital enablement

(FCC 8: 103-2, 103-3)

As the expectations of our customers and employees evolve, FCC must invest in our technological capabilities to improve the customer and employee experience and keep pace with other financial institutions. Feedback from customers in our COVID-19 surveys indicated that while they still show a strong preference for in-person interactions, there was a significant percentage of customers willing to go virtual post-pandemic.

The question asked was: How willing would you be to interact with FCC in the following ways for your business needs post-COVID-19?

- 88% by phone
- 87% at their operation
- 85% at an FCC office
- 81% by email

- 70% by text
- 68% by FCC online services and
- 50% by video call

These results confirm the need for FCC to continue to evolve our technological capabilities and improve our digital enablement.

FCC continues to focus on innovation as a way of being in how our employees think, create and operate. FCC's Idea Space and Innovation Lab teams champion human-centred design to demonstrate the value of following this discipline to grow an innovation mindset and develop customer-centric solutions. The Idea Space team helps internal teams innovate on today's priorities while the Innovation Lab team explores near and long-term opportunities. We're growing an innovation mindset to understand the needs of current and future customers, identify root problems and co-create solutions.

As a result of operating as an innovative and agile organization, FCC was able to quickly shift during the COVID-19 pandemic to enable customers to apply for our Customer Support Program by repurposing an existing online application and redeploying more than 50 employees. One of FCC's main areas of focus throughout 2020-21 has been to connect, collaborate and understand our customers' needs over virtual channels. To help in this process, we created a virtual sales training course for our Operations team as part of our relationship management process. With the reduction of in-person visits during the pandemic, we increased the use of e-signatures to easily complete online transactions with customers. E-signatures are also more secure than ink signatures because an audit trail is automatically created. When a form is signed electronically, the system captures the date, time and IP address of the person who is signing.

As a way to gather feedback on new services or technologies, FCC created a Customer Roundtable for in depth feedback using video interviews to understand if the changes meet customer needs.

The participating customers change each quarter to share their perspectives at various stages from concept through to launch of a new service.

FCC launched a digital solution for alliance partners and customers for input financing in 2020-21. This self-serve approach allows customers to complete a formal credit application on any device and receive a lending decision without human involvement, enabling them to process an input loan from start to finish at their convenience.

FCC AgExpert is a digital farm management system accessible by all device types – mobile, tablet and computer. The software has over 14,000 users, an increase of 21% over last year. To continually improve our software content, we added 44 new features to AgExpert Accounting and 45 new features to AgExpert Field, enabling users to not only manage their financial aspects, but insurance reports, crop types, crop inputs, yields and historical data as well. At the end of the 2020-21 fiscal year, FCC launched the AgExpert



Partner Hub. The partner hub has attracted multiple potential partners that will help create an AgData transparent eco-system where producers can choose their data for multiple purposes.

We also focused on how our employees connected and collaborated in a virtual environment as 90% of employees began working from home at the start of the pandemic. There were 175,000 virtual meetings held throughout the year.



Goals and targets pertaining to the future and strength of the Agriculture and Agri-food industry. Performance trends tables can be found on [pages 48-53](#).

Managing innovative technology, digital enablement and their corresponding initiatives is the shared responsibility between the Vice-President of Enterprise Strategy, Executive Vice-President and Chief Marketing Officer, and the Executive Vice-President and Chief Information Officer.

(FCC 5, FCC 6, FCC 7, FCC 11: 103-3)

PERFORMANCE TRENDS: Strength and future of the agriculture and agri-food industry					
Measures	2018-19 performance	2019-20 performance	2020-21 performance	Impact of 2020-21 performance	Future plans
Priority: Help young producers develop in the industry					
<p>Dollars loaned to young producers</p> <p>Target: Ag production: \$3.1 billion Agribusiness and agri-food: \$100 million</p> 	<p>Ag production: \$3.08 billion</p> <p>Agribusiness and agri-food: \$105 million</p>	<p>Ag production: \$3.8 billion</p> <p>Agribusiness and agri-food: \$129 million</p>	<p>Ag production: \$4.4 billion</p> <p>Agribusiness and agri-food: \$193 million</p>	<p>Targets for dollars loaned to young farmers during the fiscal year were exceeded.</p> <p>Our virtual events are a way for us to help customers become better managers, sharpen their skills and gain knowledge.</p> <p>These initiatives allow more young producers and entrepreneurs to choose a career in agriculture, ensuring a future for the industry.</p>	<p>Achieve \$3.9 billion in young farmer lending to agriculture production and \$128 million in lending to young agribusiness and agri-food operators.</p>
<p>FCC Knowledge events for young farmers</p> <p>Target: Deliver a Virtual Young Farmer Summit</p> 	<p>11 Ignite events</p>	<p>9 Young Farmer Summits with the 10th cancelled due to COVID-19</p>	<p>Online Young Farmer Summit</p>	<p>In-person events are postponed until further notice due to COVID-19.</p> <p>FCC will continue to monitor the national re-open plans post-COVID to determine next year's offering.</p>	

(FCC 6, FCC 12: 103-3)

PERFORMANCE TRENDS: Strength and future of the agriculture and agri-food industry					
Measures	2018-19 performance	2019-20 performance	2020-21 performance	Impact of 2020-21 performance	Future plans
Priority: Increase industry knowledge and skills for a successful and profitable industry					
Number of individuals benefiting from learning experiences provided by FCC's live events Target: 12,000 attendees 	12,552 FCC-hosted event attendees	13,528 FCC-hosted event attendees	14,135 FCC-hosted virtual event attendees An additional 18,182 views were added to the event videos for a total of 32,270 views	Targets for the number of attendees and views of e-learning were met. These initiatives allow producers and agribusiness operators to have the information and training they need to advance their farm management practices.	In-person events are postponed until further notice due to COVID-19. FCC will continue to monitor the national re-open plans post-COVID to determine next year's offering.
Number of individuals benefiting from learning experiences provided by FCC's e-learning Target: 650,000 views of e-learning videos, podcasts and webinars 	1,547,762 views of e-learning videos, podcasts and webinars 18,007 – people reached through FCC Speakers Bureau	1,442,198 views of e-learning videos, podcasts and webinars 19,707 – people reached through FCC Speakers Bureau	844,653 ¹⁹ views of e-learning videos, podcasts and webinars 22,289 – people reached through FCC Speakers Bureau		700,000 views to FCC's online business management learning offering. This target was revised to refocus on business-essential topics for managers who aspire to be CEOs, so we expect fewer total views but greater impact.

19 FCC has shifted the measurement to total views to FCC Knowledge online business portal, not including online views to other key channels as per previous years.

(FCC 6, FCC 12: 103-3)

PERFORMANCE TRENDS: Strength and future of the agriculture and agri-food industry					
Measures	2018-19 performance	2019-20 performance	2020-21 performance	Impact of 2020-21 performance	Future plans
Priority: Increase industry knowledge and skills for a successful and profitable industry					
Track impact of FCC learning experiences through strategic questioning Target: 4.0 or greater on the post-event survey question "I took home valuable information to my operation"	New measure in 2019-20	4.5	4.3	The target to score 4.0 or greater on post-event survey question was achieved. This new measure allows FCC to evaluate the pertinence of the learning experiences and adjust when necessary to offer valuable learning opportunities for the participants.	Achieve a score of 4.0 or greater on the post- event survey question "I took home valuable information to my operation."

(FCC 12: 103-3)

PERFORMANCE TRENDS:					
Strength and future of the agriculture and agri-food industry					
Measures	2018-19 performance	2019-20 performance	2020-21 performance	Impact of 2020-21 performance	Future plans
Priority: Strengthen and support agriculture and agri-food networks					
Number of industry association partnerships	250	242	250	The targets to continue to enhance and serve Canadian agriculture through provincial and national sponsorship and support of industry associations were met. Developing, growing, and maintaining strategic relationships with a variety of industry associations is essential to FCC continuing to be an industry leader in Canada – each industry relationship becomes an intangible asset and, when nurtured and managed properly, enhances FCC's reputation and helps FCC to be aware of any opportunities and challenges in the sector.	Continue to partner and support 250+ industry partners.
Dollars invested in support of industry associations	\$1.72 million	\$1.78 million	\$1.59 million		Investment goal in industry association support: \$1.49 million.

(FCC 6, FCC 12: 103-3)

PERFORMANCE TRENDS: Strength and future of the agriculture and agri-food industry					
Measures	2018-19 performance	2019-20 performance	2020-21 performance	Impact of 2020-21 performance	Future plans
Priority: Promote agriculture as a vibrant, forward-looking industry, fostering excitement, and building a positive image of the industry					
Host Canada’s Agriculture Day including a national conference in Ottawa Target: 500 attendees	510 attendees	517 attendees	Over 1,500 virtual attendees	The target number of attendees at Canada’s Agriculture Day was exceeded due to the virtual format.	FCC will continue to host a conference in conjunction with Canada’s Agriculture Day.
Sentiment of online conversations about Canada’s Agriculture Day	Increase of 80% over the previous year in #CdnAgDay mentions, making it a top trending topic for most of the day	#CdnAgDay trending #1 for 10.5 hours	#CdnAgDay trended for 6hrs at #1 #CdnAgDay was the longest 7-day trend in Canada from Feb. 17-23 and mentioned in 68 countries.	Canada’s Agriculture Day continues to be an opportunity for FCC to bring the industry together – conversations on Canada’s Agriculture Day and throughout the year are important for building trust between consumers and the people who grow and process the food we eat. FCC uses social listening software as a tool to help inform conversations.	

(FCC 2: 103-3)

PERFORMANCE TRENDS: Strength and future of the agriculture and agri-food industry					
Measures	2018-19 performance	2019-20 performance	2020-21 performance	Impact of 2020-21 performance	Future plans
Priority: Consistently provide an extraordinary customer experience					
Net Promoter Score® (NPS) Target: 70 (equal to or greater than the 75th percentile)	69.5	71	74	NPS target for fiscal 2020-21 was exceeded. This initiative is to ensure FCC delivers a customer experience that meets the needs of the industry.	Continue to focus on the customer experience with the goal of achieving an NPS score of 68 as our standard of excellence.

What we stand for

Our commitment: We partner to reduce hunger and enrich rural Canada.

We foster strong and vibrant communities where our customers and employees live and work. We do this by supporting projects that enhance rural Canada, with a focus on agriculture education, safety, tackling food insecurity, and supporting agriculture and agri-food, including meeting unique needs of youth, persons with disabilities and helping those in need. As Canada's largest agriculture lender, we're in a unique position to connect the people who produce food to those who need it most.

Material issues

Community investment

(GRI 201, FCC 12: 103-2)

Our giving supports the agriculture and agri-food industry and rural Canada, engages the community, positively contributes to employee engagement, and enhances FCC's reputation in the communities where employees and customers live and work. The FCC AgriSpirit Fund, FCC Regina Spirit Fund, FCC Drive Away Hunger and our United Way campaign are some of the initiatives we undertake to positively impact Canadian communities.

Each initiative and program has specific goals and measurements attached to it and we measure success based on these goals and the impact on the recipients. Community investment funding opportunities are reviewed and analyzed based on specific criteria, including, but not limited to, fitting within our funding focus areas, inclusiveness, and impact on the community. In addition to this, FCC

also partners with many associations that are making a positive impact on rural Canada and the agriculture and agri-food industry including Agriculture in the Classroom Canada, the Canadian Agricultural Safety Association (CASA), the Ag Health and Safety Alliance, Food Banks Canada, 4-H Canada and the Do More Agriculture Foundation.

Hunger: FCC Drive Away Hunger is our flagship community investment program. All offices participated in the program with the goal to help raise food and cash donations to support food banks and hunger programs across the country. Each office also donated \$1,000 to a local school feeding program of their choice to help feed hungry children in their community. An additional 65 Indigenous schools received donations of \$1,000 to support the school feeding programs in their communities. FCC Drive Away Hunger community partners included producers, grocery stores, food processors and more. Donation types were cash, product, food collection or a combination, with 100% going directly to the food banks and feeding programs.

The conversion used is one pound = one meal and \$1 donated = three meals, which reflects the buying power of food banks and their strategic partnerships.

In 2020-21, the pandemic allowed us to rethink how we approach FCC Drive Away Hunger. Rather than collecting food from participating schools through our tractor tours, we collaborated strongly with our industry partners to ensure we could collect as much food as possible to support food banks and feeding programs across Canada. This year, thanks to those strong partnerships, we helped provide 17.6 million meals. Of those meals, we worked with five partners to recover and donate six million pounds of surplus food.

Going forward, we will continue to explore new ways to rally the agriculture and agri-food industry and support food banks and feeding programs across Canada. Our traditional tractor tours will be discontinued going forward, to focus on industry partnership and make an even bigger impact on food security.

Agriculture education: We continue to help young people discover the modern, forward-thinking industry of agriculture. We've partnered with 13 post-secondary institutions to use AgExpert in the classroom. By using the software, students will understand how digital decision-making can help them monitor costs, improve yields and better manage their farm information. Teaching agriculture students how to collect and properly manage farm data sets them up to not only run more profitable operations of their own, but also enhances the knowledge and success of the entire industry.

For Canada to realize its potential as a leading agriculture and agri-food exporter, we need to inform digital decision-making at the farm level, and that means getting the right tools into the hands of today's and tomorrow's producers. FCC partnered with Olds College on the AgExpert Data Lab, where data from the Olds College Smart

Farm is kept and analyzed to help students and producers of the future make more informed decisions. FCC was named Olds College Partner of the Year in October 2020.

FCC and 4-H Canada have a partnership history of more than 25 years. In 2020-21, FCC supported 4-H Canada, and in Quebec, l'Association des jeunes ruraux du Québec and la Fédération de la relève agricole du Québec, at all levels of the organization, locally, provincially and nationally. At a national level, FCC supported the 4-H Club Fund and the Annual Leadership Awards. FCC funded 198 clubs from districts and regions from all 10 provinces in 2020-21. Provincial funding included sponsorship of public speaking events and support for provincial camps and programs.

New Agriculture in the Classroom (AITC) initiatives were sponsored in lieu of engAGe and the Educators Agricultural Tours, which were cancelled due to COVID-19. AgScape and the Indian Agricultural Program of Ontario were sponsored for the creation of Indigenous Agriculture Learning modules. AgScape was also sponsored for the Teacher Ambassador program, providing classrooms with agriculture-specific content and information about careers in agriculture.

Agriculture safety: We help producers keep safety top of mind by presenting Canadian Agricultural Safety Week (CASW) each year in partnership with the Canadian Agricultural Safety Association, the Canadian Federation of Agriculture and Agriculture and Agri-Food Canada. CASW is an annual public campaign focusing on the importance of safe agriculture. Build an AgSafe Canada is part of a three-year campaign celebrating farm safety across Canada. The aim of the current campaign is to empower farmers, farm families and farming communities to build (2019), grow (2020), and lead (2021) the agricultural industry in safety and sustainability.

The Back to Ag program provides funding to help cover the cost of adaptive technology for farmers who have experienced a traumatic injury to help them get back to work on the farm. The program is funded by FCC and delivered in partnership with CASA.

In partnership with the Ag Health and Safety Alliance Canada, we fund Gear Up for Ag, a health and safety course that educates the next generation of agriculture on mental and physical well-being at agriculture colleges. The program is delivered to post-secondary agriculture students attending trade schools, colleges and universities, and reaches well beyond the classroom as students share information with family and friends.

Community enhancements: FCC supports projects that make a positive change in the communities where we live and work across Canada. FCC uses two key funds – the FCC AgriSpirit fund and the FCC Regina Spirit Fund – from which charitable and non-profit organizations can receive support. The FCC AgriSpirit Fund supports rural communities with populations under 150,000 to enhance lives and support sustainability in Canada’s rural communities. Some examples of this year’s funding are a food security project to reduce local food waste, equipment needed in a food bank for processing, sorting and packing, sponsorship to build a sensory space to help people with intellectual

disabilities or sensory issues at a Residential Resource Centre, the purchase of recycling stations and hand washing station for public areas and an urban teaching farm that practices regenerative agriculture. The FCC Regina Spirit Fund supports community enhancement projects by charitable and non-profit organizations in Regina. It is FCC’s way of giving back to the city where over 900 of our employees live and work.

Volunteerism: Our employees are passionate about giving both time and money, donating countless hours and considerable energy to support organizations and causes in their local communities. To support that spirit of giving back and help demonstrate our commitment to strengthening communities where we live and work, the FCC Employee Volunteer Program offers several options to encourage employees in their efforts to help charities and non-profits. In-person volunteering was suspended throughout the year due to COVID-19 restrictions, but funds were still donated to causes related to volunteering activities.


Goals and targets pertaining to community investments can be found in the We Partner to Reduce Hunger and Enrich Rural Canada – Performance Trends table on [pages 58-62](#).

The responsibility for managing community investment lies with the Executive Vice-President and Chief Marketing Officer.



(GRI 201-1: 103-2)

Focus area	Priorities (goals)	Percentage dollars allocated of total community investment budget
Hunger	To reduce hunger in rural communities across Canada	15.7%
Agricultural safety	To contribute to the safety of the industry	2.9%
Education about agriculture	To promote agriculture as a vibrant, forward-looking industry, fostering excitement and building a positive image of the industry	12.2%
Community enhancement	To support the communities where our customers and employees live and work, with a focus on rural Canada	47.2%
Volunteerism	To support employee volunteerism	1.3%
Other	Initiatives such as the FCC AgCrisis Fund, or the FCC Indigenous Student Empowerment Fund	20.7%

(GRI 201-1, FCC 12: 103-3)

PERFORMANCE TRENDS: We partner to reduce hunger and enrich rural Canada					
Measures	2018-19 performance	2019-20 performance	2020-21 performance	Impact of 2020-21 performance	Future plans
Priority: Reduce hunger in rural communities across Canada					
Meals provided through FCC Drive Away Hunger Target: Provide 10 million meals 	Over 9.5 million meals provided	Over 16.2 million meals provided	Over 17.6 million meals provided	Food banks and feeding programs across the country received a record number of meals through FCC Drive Away Hunger. Six million pounds of surplus/ recovered food reported by five donors. We did not have tractor tours or engage schools due to the pandemic.	Collect 20 million meals through Drive Away Hunger. Explore food reclamation opportunities with the Canadian agriculture industry. Facilitate long-standing partnerships between food banks and the Canadian ag and food industry. Support small rural food banks. Going forward we will streamline our efforts on partnerships to maximize the impact of the program for both food and monetary donations.
Number of partners involved in FCC Drive Away Hunger Target: Maintain partnerships	255	205	131		
Number of schools involved in FCC Drive Away Hunger Target: Maintain participating schools	401	390	N/A		

(GRI 201-1, FCC 12: 103-3)

PERFORMANCE TRENDS: We partner to reduce hunger and enrich rural Canada					
Measures	2018-19 performance	2019-20 performance	2020-21 performance	Impact of 2020-21 performance	Future plans
Priority: Support the communities where our customers and employees live and work					
Number of community projects supported through the FCC AgriSpirit Fund and FCC Regina Spirit Fund Target: Award \$1.5 million through AgriSpirit Fund with a minimum of 25% to sustainability projects 	128 FCC AgriSpirit Fund: 84 FCC official languages funding: 23 FCC Regina Spirit Fund: 21 70% of funded projects were for sustainability	133 FCC AgriSpirit Fund: 94 FCC official languages funding: 24 FCC Regina Spirit Fund: 15 80% of funded projects were for sustainability	111 FCC AgriSpirit Fund: 92 FCC official languages funding: 1 FCC Regina Spirit Fund: 18 80% of funded projects were for sustainability	FCC AgriSpirit Fund and dollars donated to charities and non-profit organization targets were met, and the number of sustainability projects receiving funds exceeded the target amount. This funding initiative helped charities and non-profit organizations across Canada make life better in their communities.	For FCC's AgriSpirit Fund to award \$1.5 million to rural capital projects across Canada.
Total dollars donated to charities and non-profit organizations Target: Donate \$3.5 million to Canadian charities, non-profit organizations and communities 	\$4.3 million	\$4.2 million	\$4.3 million		Donate \$3.5 million to Canadian charities, non-profit organizations and communities.

(GRI 201-1, FCC 12: 103-3)

PERFORMANCE TRENDS: We partner to reduce hunger and enrich rural Canada					
Measures	2018-19 performance	2019-20 performance	2020-21 performance	Impact of 2020-21 performance	Future plans
Priority: Demonstrate unwavering support and commitment to customers					
Number of customers supported by the FCC AgCrisis Fund	287	233	342	FCC will continue to ensure customers receive funding to help support their families and operations in the short term during times of crisis.	To continue to enhance the customer experience by supporting our customers in times of crisis.
Priority: Support employee volunteerism					
Dollars donated to charities and non-profit organizations via the FCC Employee Volunteer Program 	\$85,994	\$93,000	\$57,750	117 charities and non-profit organizations received funding through the Employee Volunteer Program. Employees were able to give back to the charities and non-profits they're passionate about to enhance their communities.	In-person volunteering is postponed until further notice due to COVID-19; FCC will re-evaluate how to proceed with the FCC Employee Volunteer Program once it is safe to restart.
The number of employees who volunteer each year for the United Way Season of Caring Target: N/A	911 employees	1,010 employees	N/A		
Employee volunteer hours Target: N/A	N/A	3,566 hours	N/A		To be determined once it is safe to restart the program.

(GRI 201-1: 103-3)

PERFORMANCE TRENDS: We partner to enrich rural Canada					
Measures	2018-19 performance	2019-20 performance	2020-21 performance	Impact of 2020-21 performance	Future plans
Priority: Contribute to the safety of the industry					
Number of people trained through the Ag Health and Safety Alliance (AHSA) – Gear Up for AG Health and Safety Program Target: Partner with Ag Health and Safety Alliance by expanding the program to new colleges across Canada	950 students at six post-secondary institutions	700 students at seven post-secondary institutions	675 students at 10 post-secondary institutions	All Gear up for Ag courses were moved to online with the exception of two schools that were unable to schedule sessions in this fiscal year. FCC is committed to investing in awareness and knowledge of agriculture safety. While there were no individuals funded through the Back to Ag program this year, there are several applications in progress with CASA.	We will continue to partner with agriculture colleges to train students on physical and mental well-being. Continue to partner with Ag Health and Safety Alliance in 2021-22.
Dollars invested in agricultural safety	\$160,000	\$170,000	\$124,000		Continue to strengthen relationships with agriculture safety partners across Canada.
Number of people helped through Back to Ag	6	2	0		Continue to provide funding for the Back to Ag program throughout the year as needed.

(GRI 201-1: 103-3)

PERFORMANCE TRENDS: We partner to enrich rural Canada					
Measures	2018-19 performance	2019-20 performance	2020-21 performance	Impact of 2020-21 performance	Future plans
Priority: Promote career opportunities and enhance public trust in the agriculture and agri-food industry					
Dollars invested in education in agriculture	\$234,300	\$385,700	\$529,750	Invested in various programs, including 4-H Canada, AgScape and Agriculture in the Classroom. Funds were reallocated from the previous fiscal (due to COVID-19) to support the promotion of career opportunities in the agriculture and agri-food industry. Sponsorship of these initiatives support the development of teaching resources and outreach tools that encourage high school students to explore and get curious about the myriad of career opportunities in agriculture and food.	FCC continues to promote career opportunities and enhance public trust in the agriculture and agri-food industry. FCC plans on continuing sponsorship to 4-H Canada to support national, provincial and local initiatives.
Pilot live engAGe! events with Agriculture in the Classroom in Vancouver, Montreal and Toronto Target: minimum 1,500 student attendees	FCC is investigating a new measure around number of students attending live engAGe! events in Canada	810 students and 23 teachers attended	N/A		

What we stand for

Our commitment: We operate sustainably and support our customers to do the same.

We're committed to the success of the Canadian agriculture and agri-food industry for generations to come. We care about the environment, and with 99 offices located across the country, we work to reduce our operational footprint. With global population growth, resource scarcity and increasing sustainability expectations from the public, a sustainable agriculture and agri-food industry is vital to the success of FCC, the industry, our customers and our planet (UN SDG 12: Responsible Consumption and Production).

Material issues

Climate change mitigation and adaptation

(FCC 1: 103-2)

Climate change is a growing risk with far-reaching impacts across sectors and industries. The federal government recently published Canada's Changing Climate Report.²⁰ The report puts forth several high-confidence statements about how climate change will impact the Canadian agriculture industry, such as more extreme heat, less extreme cold, longer growing seasons, shorter snow and ice cover seasons, earlier spring peak stream flow, thinning glaciers, thawing permafrost, and rising sea levels. There is a need for producers and agri-food and agribusiness operators to understand and assess the risks that climate change is having on their operations and to have access to knowledge and support to develop long-term strategies to mitigate and adapt to the impacts.

FCC has committed to adopting the recommendations from the Task Force on Climate-Related Financial Disclosures. This set of disclosures is designed to enable stakeholders to better understand the concentrations of carbon-related assets in the financial sector and the sector's exposure to climate-related risks. To determine our climate-related risks and opportunities, FCC will assess the physical and transition risks related to climate change. These risks go beyond FCC's physical operations and extend to our customers. FCC will begin to develop measures and models to measure the impact of long-term climate risk on farmland values and credit risk. As risks are better understood, FCC will develop strategies to address the risk for both the organization and to support our customers.

One way FCC supports customers on understanding their sustainability efforts is through our software program AgExpert Field. This software provides producers with the capability to track and manage data related to crop inputs such as seed, fertilizer, crop protection

²⁰ Source: <https://www.nrcan.gc.ca/climate-change/impacts-adaptations/canadas-changing-climate-report/21177>.

products, water, etc. The more readily available information producers have on agricultural factors, the better they can make decisions on climate change mitigation and adaptation strategies, financial management and environmental stewardship. Going forward, FCC will explore opportunities to support customers with knowledge and insights when it comes to adapting to and mitigating climate change.

The responsibility for managing FCC's climate change mitigation and adaptation strategies is shared among the Vice-President of Enterprise Strategy, the Executive Vice-President and Chief Risk Officer and the Executive Vice-President and Chief Marketing Officer.

Sustainable financing

(FCC 13: 103-2)

With an ever-increasing focus on environmental issues and sustainability standards expected by consumers and retailers, a sustainable agriculture industry is vital to the success of FCC, our customers and the industry.

FCC understands that agriculture plays an important role in addressing air quality, land usage and water protection challenges now and in the future, and we want our customers to have the information they require to make educated decisions. FCC promotes environmental stewardship for our customers and the industry by developing and sharing tools, knowledge and environmental loan products to help them manage their environmental performance. As part of our loan approval process, we work with customers to review environmental risk through questionnaires, site inspections and assessment reports from qualified consultants. We also outline our expectations in the integrity declaration signed by all customers we do business with. The integrity declaration refers to balancing business decisions with individual needs to achieve our vision of sustainable growth and prosperity for Canada's agriculture industry. It also outlines our

expectations related to topics such as environment, animal welfare, labour and society, and articulates who we will and will not do business with.

FCC exercises all reasonable care to safeguard the environment and protect the value of real property taken as lending security. As a federal Crown corporation, FCC is also a federal authority with accountabilities under the Impact Assessment Act and its related regulations and instruments (together, the IAA). FCC complies with the requirements of the IAA if we finance a project that qualifies as a designated project under the IAA. The IAA states that federal authorities must not carry out or permit projects as defined under the IAA to be carried out on federally owned lands or outside Canada unless the federal authority determines the project is not likely to cause significant adverse environmental effects (which means changes to the environment and the impact of these changes on the Indigenous peoples of Canada and on health, social and economic conditions) or the Governor in Council decides the effects are justified under the circumstances.

To support customers on their sustainability journeys, FCC currently offers two loan products with special features designed to support sustainable activities. Through FCC's Enviro-Loan, we encourage sound environmental practices by deferring principal payments on environment-related projects or upgrades. FCC's Energy Loan assists producers who want to use renewable energy sources on their farms to save money and become more self-sufficient by producing their own energy.

Going forward, FCC will explore other sustainable financing products to move the industry forward on its sustainability journey.

The responsibility for managing FCC's product offerings resides with the Executive Vice-President and Chief Marketing Officer.

Carbon footprint

(GRI 102-11, 301-1, 302-1, 305-1, 305-2, 305-3, FCC 1: 103-2, 103-3)

Like many organizations, our success is inevitably linked to environmental issues. Human-induced climate change and other global megatrends, including resource scarcity and population growth, have an impact on our business, customers and communities.

FCC applies the precautionary principle, which is an organization's approach to risk management in operational planning or when developing and introducing new products. While it isn't commonplace in the financial sector, applying the precautionary principle can help an organization reduce or avoid negative impacts on the environment. We hold ourselves to high standards and take the environment into consideration throughout our daily operating activities.

We've been reporting our greenhouse gas (GHG) emissions since 2010-11. In 2017-18, we set aggressive greenhouse gas (GHG) emission reduction targets. Our goal is to reduce our scope 1, 2 and 3 emissions by the equivalent of 40% by 2025, based on 2012 levels. Our 2012 baseline levels were 8,386 tonnes of carbon dioxide equivalent (CO₂e), and our target is to reach 5,032 tonnes of CO₂e by 2025. To reach this target, we're working to reduce our emissions by 307 tonnes of CO₂e every year from 2017-18 to 2024-25.

To determine FCC's footprint, we record two scopes related to our office utilities consumptions. Scope 1 direct emissions are tied to our consumption of natural gas, liquid fuel and refrigerants, and Scope 2 is tied to purchased electricity. This year's assessment calculations are based on a representative sample of 89% of FCC's total office square footage. We also calculate Scope 3 emissions, which are tied to other indirect emissions from our business air travel, business vehicle travel and paper usage.

Year after year, we make continuous improvements in the efficiency of our building operations. While FCC does not own any of our office buildings, we work in partnership with the property owners to implement environmentally friendly and energy-efficient changes. When a building is being evaluated for lease, FCC considers the energy efficiency of the structure and equipment as one of the factors in determining whether it's suitable office space. With 99 field office locations across Canada, our head office in Regina and a government relations office in Ottawa, managing our carbon footprint and being an environmentally responsible organization are important for FCC. In fact, it's one of our corporate values.

Total scope 1 and 2 emissions decreased from 5,494 tonnes of CO₂e in 2019-20 to 5,126 tonnes in 2020-21 for a total reduction of 368 tonnes of CO₂e. This decrease was the result of a combination of a cleaner Canadian electrical grid compared to the previous year and behaviour changes designed to conserve energy. While COVID-19 did greatly reduce the number of employees attending our offices, there still were requirements to maintain base functions such as heating and cooling.

The FCC corporate office tower and Agriculture Place, the tower adjacent in which FCC leases several floors, are both BOMA BEST® (Building Environmental Standards) rated buildings. Agriculture Place is also Leadership in Energy and Environmental Design (LEED) Certified Gold, Core and Shell. In 2019-20, we implemented Greenwave's demand electricity monitoring technology in the two towers. Initial baselines of consumption were gathered and have been impacted by COVID-19 and the drastic decrease in the number of employees in corporate office since March 2020. Over time, this new sensor technology will provide a level of control and insight into the electrical consumption of the buildings that our property owners have never had before. Real-time energy consumption data

of numerous elements of the building systems will enable data comparisons and the opportunity to test and share the impacts of sustainable engagement activities such as asking employees to turn off all office electronics at the end of the day. Data on efficiency and consumption will also allow for a more robust picture in terms of repair, replacement and maintenance planning.

Our internal efforts reinforce our corporate commitment to the environment, and we call on all employees to look for ways to make FCC more environmentally efficient. Before the COVID-19 pandemic, many of our employees had taken this challenge to heart and were actively using recycling stations at work, turning off lights and audiovisual equipment when leaving a meeting room and participating in other environmental initiatives such as carpooling and biking to work. FCC has not specified timelines for a full return to the office and we anticipate the continuation of these programs when our employees return to the workplace.

As field offices are located across the country, many in rural Canada, our employees need to travel to serve our customers and keep operations running efficiently and smoothly. We measure emissions produced by our business travel (air and vehicle). With COVID-19 travel restrictions in 2020-21, air travel decreased 99.5% over our two-year baseline of 2018-19 and 2019-20. FCC's air travel was 46,425 kilometres, equal to five tonnes of CO₂e.

As part of our commitment to create a great customer experience, our employees often drive to meet face-to-face with customers. We encourage employees to plan their routes to be as efficient as possible. In 2020-21, employees needed to shift to phone and digital farm check-ins when required by COVID-19 protocols and safety measures. The result of this travel reduction was that our CO₂e emissions decreased by 725 tonnes, a 74.6% decrease compared to 2019-20.

Our employees' vehicle travel decreased by 3,280,785 kilometres in 2020-21 compared to the year before.

COVID-19 required us to work differently and we've taken advantage of our technological capacities. We expect there will be an evolution in travel patterns and customer preferences in future years compared to the pre-pandemic era as restrictions are lifted since there is an openness from our customers to do business through digital channels.

As a financial institution, we create documentation throughout our business activities. We measure our paper consumption each year and encourage conservation efforts through initiatives such as our recycling program, encouraging double-sided printing, implementing printer hardware and software upgrades and simply reminding employees to only print when necessary. FCC has continued to use digital documents and signatures where possible versus pen and paper, with the overall goal to facilitate business anywhere, anytime, on any device, with a lower environmental footprint.

In the past few years, we've also provided all employees with new laptops. In addition to encouraging collaboration, the laptops and Microsoft Office 365 features have the added benefit of reducing paper use at meetings as employees become more familiar with creating and sharing electronic documents. FCC's paper consumption has decreased by 65.5% over the previous year's results mostly due to the reduction of printing requests to FCC's print shop, including paper publications such as AgriSuccess and our digital enhancements for our customers, such as electronic documents and e-signatures, which also reduce the amount of paper required for transactions. FCC also takes part in the PrintReleaf program, which will measure FCC's paper consumption and convert the pages into real trees that are planted in global reforestation projects.

Our facilities management team will pilot a waste reduction process for office relocations and closures in 2021-22 to determine if it could become a national initiative.

Goal and targets pertaining to how we operate sustainably and support our customers to do the same. Performance Trend tables can be found on [pages 68-69](#).


The responsibility for managing FCC's operational footprint lies with the President and Chief Executive Officer.

Facility changes

(GRI 102-10)

Location	Office opening, move, expansion or closure
Kelowna, B.C.	Expand
Montreal, Que.	Move
Outlook, Sask.	Open
Sarnia, Ont.	Open
Surrey, B.C.	Move
Vegreville, Alta.	Move
Wyoming, Ont.	Close

(FCC 13: 103-3)


PERFORMANCE TRENDS: We operate sustainably and support our customers to do the same					
Measures	2018-19 performance	2019-20 performance	2020-21 performance	Impact of 2020-21 performance	Future plans
Priority: Develop and share tools, knowledge and environmental products					
Number of dollars loaned to customers who are advancing environmental practices ²¹ 	Energy Loan \$2.1 million	Energy Loan \$1.1 million	Energy Loan \$409,214 million	Customers have access to financing to adopt new environmental and energy practices.	To continue to measure number of dollars loaned to customers who are advancing environmental practices through these two loan products. Gather feedback from customers on how FCC can support them in their sustainability journeys.
	Enviro-Loan \$565,000	Enviro-Loan \$0	Enviro-Loan \$42,250		
Priority: Identify and evaluate environmental risks					
Number of new real property loans ²²	8,586	8,862	8,976	To protect the environment and mitigate identified risks, FCC conducts environmental assessments of all properties used by customers to secure financing. ²³	To continue to require environmental assessments for each new real property loan.

21 The Energy Loan and Enviro-Loan are niche products that enable our customers to increase the sustainability of their operations. Customers have the opportunity to use FCC custom loan products to advance their environmental practices. Customers also use other loan products for environmental purposes, depending on the overall need for financing.

22 To protect the environment and mitigate identified risks, FCC conducts environmental assessments of all properties used by customers to secure financing. The lending decision process also requires customers to provide written declarations that these properties are free from contamination. This number is a conservative estimate based only on new real property loans. Additional environmental risk assessments are also required in certain situations.

23 All FCC employees involved in real property loans are required to take training on our Environmental policy, environmental risk and mitigation measures to identify the environmental risk related to customer property.

(GRI 102-48, 301-1, 302-1, 305, FCC 1: 103-3)

PERFORMANCE TRENDS: We operate sustainably and support our customers to do the same					
Measures	2018-19 performance	2019-20 performance	2020-21 performance	Impact of 2020-21 performance	Future plans
Priority: Reduce our greenhouse gas (GHG) emissions and environmental impact					
Total GHG emissions in tonnes (t) carbon dioxide equivalent (CO ₂ e) ²⁴ Target: reduce emissions by 307 tonnes of CO ₂ e per year until 2025 	7,584 t CO ₂ e office energy: 5,385 t air travel: 1,040 t vehicle travel: 930 t paper: 229 t	7,532 t CO ₂ e office energy: 5,494 t air travel: 886 t vehicle travel: 948 t paper: 204 t	5,404 t CO ₂ e office energy: 5,126 t air travel: 5 t vehicle travel: 223 t paper: 50 t	FCC exceeded our annual target of reducing emissions by 307 tonnes of CO ₂ e per year. By meeting our yearly target, FCC is supporting targets in the Federal Sustainable Development Strategy designed to reduce overall federal government emissions by 2025.	To continue to focus on strategies to ensure we're reaching our target of 40% GHG emissions reduction by 2025, based on 2012 levels.
Revenue in millions of Canadian dollars (\$)	\$1,622.3 ²⁵	\$1,764.4	\$1,576		
Tonnes (t) of carbon dioxide equivalent emissions (CO ₂ e) per revenue in millions of Canadian dollars (\$)	4.67 t CO ₂ e / \$ million revenue ²⁵	4.27 t CO ₂ e / \$ million revenue	3.43 t CO ₂ e / \$ million revenue		
GJ of energy /FTE	34.4	27.5	28.03		

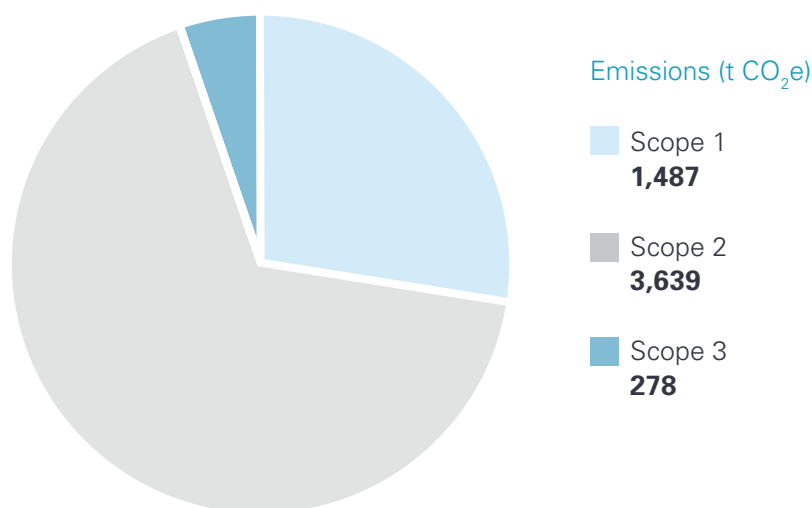
24 The GHG emissions are made up of CO₂, CH₄ and N₂O from fossil fuel combustion and refrigerant-based HFCs, which is reported in terms of carbon dioxide equivalent (CO₂e). The Global Warming Protocol is based on the Intergovernmental Panel on Climate Change Fourth Assessment Report. Organizational boundaries for FCC were established based on the operational control approach. Under this consolidation approach, all operations that are fully owned and/or controlled by FCC are considered to fall within the scope of the assessment. While FCC's leased spaces are owned by other parties, FCC maintains operational control of these facilities, including HVAC system use, lighting and plug loads. In the interest of capturing the real impacts of FCC's operations and in keeping with industry common practice, these spaces have been included in the present assessment.

25 2018-19 revenue and tonnes of CO₂e emissions per revenue in millions of Canadian dollars have been restated. (GRI 102-48).

FCC emissions by scope

(GRI 305-1-e, 305-2-e, 305-3-f: 103-3)

We measure and report our direct and indirect GHG emissions into three broad scopes according to GHG Protocol accounting principles.



Scope	Emissions (t CO ₂ e)	2018-19	2019-20	2020-21
Scope 1	Direct GHG emissions from sources that are owned and/or controlled by FCC (for example, on-site fuel combustion)	1,560	1,285	1,487
Scope 2	Emissions created from the consumption of purchased electricity that occurs off-site, but is still attributable to FCC's activities	3,825	4,209	3,639
Scope 3	Emissions from sources not owned or controlled by FCC, but still integral to FCC operations (for example, emissions attributable to airlines that employees use for business travel)	2,199	2,038	278
Total		7,584	7,532	5,404

(GRI 305-1, 305-2, 305-3: 103-3)

(tonnes of CO ₂ equivalent)	2018-19	2019-20	2020-21
Natural gas	1,559	1,285	1,477
Diesel	0.0	5.7	3
Propane	1.0	9.1	7
Gasoline	0.0	0.0	.02
Fuel oil	0.0	0.0	0.0
Electricity	3,825	4,209	3,639
Air travel	1,040	886	5
Vehicle travel	930	948	223
Paper use	229	204	50
Total emissions	7,584²⁶	7,532²⁷	5,404²⁸

26 2018-19: Based on an assessment of 50 out of 102 offices, representing 75% of FCC's total square footage. FCC had 97 offices as of March 31, 2019. However, due to moves and closures throughout the year, FCC accounted for emissions from 102 offices.

27 2019-20: Based on an assessment of 63 out of 101 offices, representing 81% of FCC's total square footage.

28 2020-21: Based on an assessment of 77 of 102 offices, with partial years in closures and openings, representing 89% of FCC's total square footage.

FCC energy use

(GRI 302-1: 103-3)

FCC saw a 3.7% increase in gigajoules (GJ) of energy per square foot, due to a combination of utility consumption patterns tied to office usage and increased precisions of data collection. The number of GJs per FTE increased from 27.5 GJ per FTE to 28.98 GJ per FTE, or approximately 5.4%.

	2018-19	2019-20	2020-21
Total energy use in gigajoules (GJ)	66,969	60,412	63,183
FCC energy use per full-time employee (FTE):			
Total direct energy use in GJ: share from renewable sources (%) ^{29, 30}	33,415; 0%	27,410; 0%	29,315; 0%
Total indirect energy use in GJ: share from renewable sources (%) ^{29, 31}	33,554; 37.0%	33,002; 37.2%	33,871; 38.5%
Number of FTEs	1,948	2,198	2,180
GJ of energy per FTE (GJ/FTE)	34.4	27.5	29.0
FCC energy use per office square footage (ft²):			
Total office square footage (ft ²)	704,300	738,489	741,403
GJ of energy per square foot (GJ/ft ²)	0.095	0.082	0.085
Heating degree days, Canada ³²	3,811	3,591	3,365

29 Renewable energy refers to hydro, solar, wind and tidal sources. There are no fuel emissions from renewable sources tied to FCC's direct energy use.

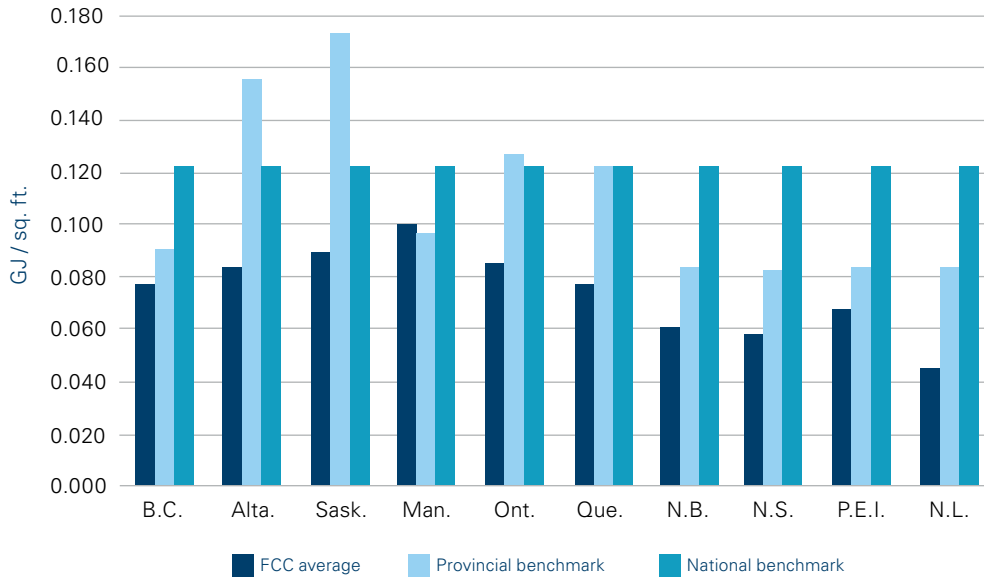
30 For this table, total direct energy use refers to the Scope 1 – direct sources, that include the combined emissions linked to the office consumption of natural gas, diesel and propane. No other fuel types are reported on for 2020-21.

31 Total indirect energy use was calculated based on provincial electricity generation mixes published by Environment Canada and FCC's electricity use in each province.

32 Source: Canadian Gas Association. <https://www.cga.ca/natural-gas-statistics/>

FCC office building energy intensity by province, 2020-21

(GRI 302-1: 103-3)



*Note: The national energy intensity benchmark has been adjusted according to an FCC-specific blended average based on FCC provincial office space distribution.

FCC is below the national energy intensity benchmarks in all provinces. The FCC energy intensity level is lower than all provincial benchmarks in all provinces except Manitoba.

In 2020-21, there were 3,365 heating degree days (HDDs) compared to 3,591 the previous year, a decrease of nearly 6.3% that equates to a warmer winter than the previous year.

HDD reflects the demand for energy needed to heat an office. It's derived from measuring the average outside air temperature and is compared to the minimum office temperature outlined in the Workplace Hazardous Materials Information System (WHMIS), which is 18 Celsius (C). HDDs are calculated by taking the high and low

temperatures for a day, averaging them to form a single value, and then subtracting it from the minimum office temperature set by WHMIS. The number of HDDs for a day with an average temperature of -10 C would be 28 (for example, -10 C – (+18 C) = 28 HDDs). The number of HDDs can be calculated in a given year or month to provide a snapshot of overall climate variability. Some offices, including our corporate office, saw a decrease in electricity consumption and an increase in natural gas consumption due to office usage changes caused by COVID-19. The warmer winter, combined with the small increase in office space, the increase in natural gas and the Canadian electrical grid becoming more efficient contributed to the 368-tonne decrease of our overall office building GHG emissions.

FCC paper use

(GRI 301-1: 103-3)

FCC paper use for full-time employee (FTE)	2018-19	2019-20	2020-21
Total paper use in tonnes (t)	169.7	151.5	52.3
Number of FTEs	1,948	2,198	2,180
Total paper use by weight in kilograms (kg) by FTE	87.1	69.0	24.0
Average post-consumer recycled content of paper (%)	10.6	10.7	10.4

Meeting our target

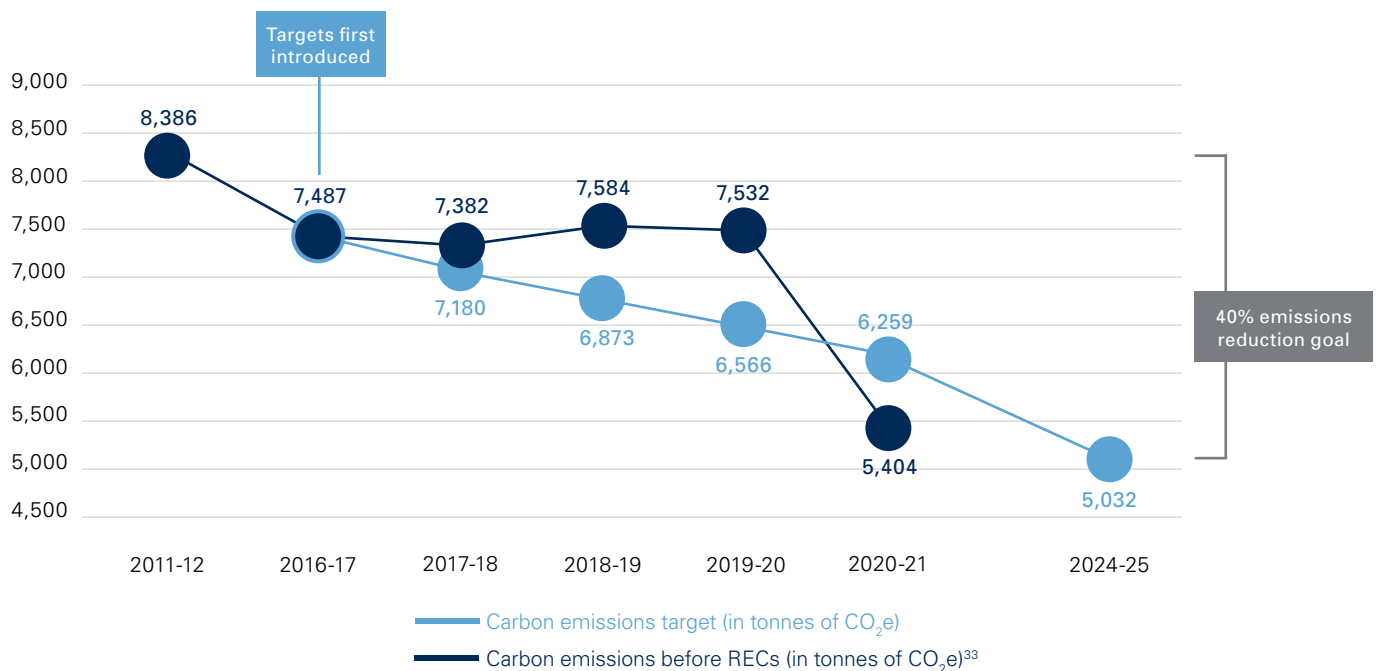
(GRI 305-1, 305-2, 305-3, FCC 1: 103-3)

To date, FCC has reduced our GHG emissions by 35.6% based on 2012 levels. Although we've made progress based on significant effort toward upgrading the energy efficiency of our facilities and encouraging behaviour changes around travel and paper use, most of this year's reduction is from Scope 3 sources tied to travel and paper consumption. Although we don't expect to maintain such a steep and rapid decrease in our

GHG emissions after COVID-19 restrictions are lifted, FCC will continue to make sustainable progress toward meeting our goal.

To meet our target of a 40% total GHG emission reduction by 2025, based on 2012 levels, we must continuously reduce our carbon footprint by 307 tonnes of CO₂e per year. This year, we decreased our footprint by 2,129 tonnes over the previous year due to decreased travel and operational changes because of COVID-19 and do not require the purchase of any renewable energy certificates for the 2020-21 fiscal year.

GHG emissions (in tonnes of CO₂e)



33 With a goal of reducing FCC's carbon footprint by 40% by 2025, based on 2012 levels, FCC has set a yearly target to reduce its emissions by 307 tonnes of CO₂e. To achieve this reduction, FCC will purchase renewable energy certificates to offset the difference between its carbon emissions and the emissions target when necessary.

About this report

Our report scope and boundary

(GRI 102-49)

FCC's annual ESG report provides our stakeholders with an overview of our economic, social and environmental performance along with our governance factors. The 2020-21 report measures our ESG performance in our commitments under the Governance, Who We Are and What We Stand For sections. In previous years, it was referred to as the CSR report. [All reports are available online at fcc.ca.](#)

This report does not include the performance of our business partners through FCC Alliances or FCC Ventures.

Scope, boundary or measurement methods applied in this report that have changed since 2019-20: there were no significant changes from the previous reporting period with the scope and topic boundaries.

Our process

(GRI 102-54, 102-56)

This report has been prepared in accordance with GRI Standards: Core option and is not externally assured. Our GRI Standards Content Index, which lists the GRI indicators we report on, is on [pages 77-81](#).

Our Strategy and ESG team is responsible for planning, executing and reporting, with input from ESG working group members across the corporation, including Corporate Communication, Facilities and Administration, Finance, Human Resources, Information Technology, Law and Corporate Secretary, Risk Management, Marketing, Operations and Enterprise Strategy.

Global Reporting Initiative Standards Content Index

(GRI 102-55)

GENERAL STANDARD DISCLOSURES		
GRI Standard	Disclosure	Page
GRI 101: Foundation 2016		
General Disclosures		
GRI 102: General Disclosures 2016	Organizational profile	
	102-1 Name of the organization	Page 7
	102-2 Primary brands, products and/or services	Pages 88-91 in this report; see fcc.ca (Financing)
	102-3 Location of organization's headquarters	Page 7
	102-4 Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	Page 7
	102-5 Nature of ownership and legal form	Page 7
	102-6 Markets served, including geographic breakdown, sectors served and types of customers/beneficiaries	Page 7 in this report, 40-43 in the FCC 2020-21 Annual Report at fcc.ca/AnnualReport
	102-7 Scale of the reporting organization	Pages 7-8 in this report, 34 in the FCC 2020-21 Annual Report at fcc.ca/AnnualReport
	102-8 Workforce breakdown	Pages 34-35

(GRI 102-55)

GENERAL STANDARD DISCLOSURES		
GRI Standard	Disclosure	Page and explanatory notes
GRI 101: Foundation 2016		
General Disclosures		
GRI 102: General Disclosures 2016	Organizational profile	
	102-9 Supply chain	Page 24-25
	102-10 Significant changes during the reporting period to locations of operations and supply chain	Page 25, 67
	102-11 Precautionary principle	Page 65
	102-12 Externally developed economic, environmental and social charters and/or principles	Page 26
	102-13 Memberships of associations	Pages 26, 92-93 the appendix B in this report
	Strategy	
	102-14 Statement from the most senior decision-maker of the organization	Pages 3-6
	Ethics and integrity	
	102-16 FCC's values, principles, standards, code of conduct and ethics	Pages 7, 9-10, 12, 19-20 and 23-25
Governance		
102-18 Governance bodies of FCC, including committees of the highest governance body and any committees responsible for decision making on economic, environmental, social impacts	Pages 18-19 in this report, 14-19 in the FCC 2020-21 Annual Report at fcc.ca/AnnualReport	

Stakeholder engagement	
102-40 List of stakeholder groups engaged by FCC	Customers, employees, communities, the agriculture and agri-food industry, shareholder and elected officials, the financial sector. Page 13
102-41 Employees covered under collective bargaining agreements	FCC has no employees who are covered under collective bargaining agreements
102-42 Basis for identification and selection of stakeholders with whom to engage	Page 13
102-43 FCC's approach to stakeholder engagement, including frequency and engagement type	Pages 44-46, 94-97
102-44 Report key topics and concerns that have been raised by stakeholder engagement and how FCC responded to those concerns	Pages 13, 27-28, & 45-46

(GRI 102-55)

GENERAL STANDARD DISCLOSURES		
GRI Standard	Disclosure	Page and explanatory notes
GRI 101: Foundation 2016		
General Disclosures		
GRI 102: General Disclosures 2016	Reporting practices	
	102-45 All entities included in FCC's consolidated financial statements	Primary production financing, agribusiness and agri-food financing, FCC Alliances, FCC Ventures, FCC Insurance, FCC Learning, FCC Management Software (AgExpert) See fcc.ca (Financing)
	102-46 Process for defining report content	Pages 13, 94-97 stakeholder engagement; pages 13-15 materiality
	102-47 Material aspects/topics and boundaries	Pages 16-17 Material topics include: Carbon footprint, Climate change mitigation and adaptation, Community investment, Data privacy and security, Diversity, equity and inclusion, Employee engagement and well-being, Employee learning and development, Enhancing customer satisfaction and experience, Executive and Board-level governance, Farm animal welfare, Financial access and inclusion, Financial literacy and capacity building, Growing the next generation of agriculture, Innovative technologies and digital enablement, Promoting human rights, Risk management, Supporting entrepreneurship, Supporting national and international initiatives and programs, Sustainable financing.
	102-48 Restatements from previous reports	Pages 8, 69
	102-49 Significant changes in scope and aspect boundaries from previous reports	Page 76
	102-50 Reporting period	Fiscal year – April 1, 2020 to March 31, 2021
	102-51 Date of most recent report	December 2020

	102-52 Reporting cycle	Annual
	102-53 Contact point for questions regarding the report and its content	Pages 6, 8, 98
	102-54 Claims of reporting in accordance with GRI Standards	GRI Standards: Core option, Page 76
	102-55 GRI Standards Content Index	Pages 77-87
	102-56 Report has been externally reviewed and FCC's policy and current practice with regard to seeking external assurance	Page 76

(GRI 102-55)

MATERIAL TOPICS			
GRI Standard	Disclosure	Page and explanatory notes	Omissions
GRI 200: Economic Standard Series			
Community investments			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary 103-2 The Management Approach and its components 103-3 Evaluation of the Management Approach	Page 16 Pages 54-57 Pages 58-62	XX
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Page 8 revenue generated and distributed; and pages 57-62 community investments	XX
Anti-corruption			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary 103-2 The Management Approach and its components 103-3 Evaluation of the Management Approach	Page 16 Pages 21-22 Pages 21-22	XX
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Pages 21-22	XX
GRI 300: Environmental Series			

Materials			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary 103-2 The Management Approach and its components 103-3 Evaluation of the Management Approach	Page 16 Pages 65-67 Pages 69, 74	XX
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Page 74	XX
Energy			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary 103-2 The Management Approach and its components 103-3 Evaluation of the Management Approach	Page 16 Pages 65-67 Pages 69-73	XX
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Pages 69, 72-73	XX
Emissions			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary 103-2 The Management Approach and its components 103-3 Evaluation of the Management Approach	Page 16 Pages 65-67 Pages 69-73, 75	XX
GRI 305: Emissions 2016	305-1 Direct greenhouse gas (GHG) emissions (Scope 1)	Pages 65-67, 70-71, 75	XX
	305-2 Energy indirect greenhouse gas (GHG) emissions (Scope 2)	Pages 65-67, 70-71, 75	XX
	305-3 Other indirect greenhouse gas (GHG) emissions (Scope 3)	Pages 65-67, 70-71, 75	XX

(GRI 102-55)

MATERIAL TOPICS			
GRI Standard	Disclosure	Page and explanatory notes	Omissions
GRI 400: Social series			
Employment			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary 103-2 The Management Approach and its components 103-3 Evaluation of the Management Approach	Page 16 Page 27-28 Pages 32, 39	XX
GRI 401: Employment 2016	401-1 Total number and rates of new employee hires and employee turnover by age group, gender and region	Pages 36-37	XX
Training and education			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary 103-2 The Management Approach and its components 103-3 Evaluation of the Management Approach	Page 16 Pages 28-30 Pages 28-30	XX
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee, by gender and by employee category	Page XX	Information on training hours is not adequate for the report and is being evaluated for future reporting.

Diversity and equal opportunity			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary 103-2 The Management Approach and its components 103-3 Evaluation of the Management Approach	Page 16 Pages 30-31 Page 33	XX
GRI 405: Diversity and Equal Opportunity 2016	405-1 Composition of governance bodies and breakdown of employees per category and by significant location of operations	Pages 37-38	XX
Customer privacy			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary 103-2 The Management Approach and its components 103-3 Evaluation of the Management Approach	Page 16 Pages 20-22 Pages 20-22	XX
GRI 418: Customer Privacy 2016	418-1 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	Pages 20-22	XX

(GRI 102-55)

NON-GRI MATERIAL TOPICS			
GRI Standard	Disclosure	Page and explanatory notes	Omissions
FCC 1 – Climate change mitigation and adaptation			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary 103-2 The Management Approach and its components 103-3 Evaluation of the Management Approach	Page 16 Pages 63-67 Page 69, 75	XX
FCC 2 – Enhancing customer satisfaction and experience			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary 103-2 The Management Approach and its components 103-3 Evaluation of the Management Approach	Page 16 Pages 45-46 Pages 45-46, 53	XX
FCC 3 – Executive and Board-level governance			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary 103-2 The Management Approach and its components 103-3 Evaluation of the Management Approach	Page 16 Pages 18-19 Pages 18-19	XX
FCC 4 – Farm animal welfare			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary 103-2 The Management Approach and its components 103-3 Evaluation of the Management Approach	Page 16 Page 24 Page 24	XX
FCC 5 – Financial access and inclusion			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary 103-2 The Management Approach and its components 103-3 Evaluation of the Management Approach	Page 16 Pages 42-43 Pages 42-43, 48	XX
FCC 6 – Financial literacy and capacity building			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary 103-2 The Management Approach and its components 103-3 Evaluation of the Management Approach	Page 16 Page 44 Pages 40-41, 48-50, 52	XX

(GRI 102-55)

NON-GRI MATERIAL TOPICS (continued)			
GRI Standard	Disclosure	Page and explanatory notes	Omissions
FCC 7 – Growing the next generation of agriculture			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary 103-2 The Management Approach and its components 103-3 Evaluation of the Management Approach	Page 17 Pages 40-41 Pages 40-41, 48	XX
FCC 8 – Innovative technologies and digital enablement			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary 103-2 The Management Approach and its components 103-3 Evaluation of the Management Approach	Page 17 Pages 46-47 Pages 46-47	XX
FCC 9 – Promoting human rights			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary 103-2 The Management Approach and its components 103-3 Evaluation of the Management Approach	Page 17 Pages 24-25, 30-31 Pages 24-25	XX
FCC 10 – Risk management			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary 103-2 The Management Approach and its components 103-3 Evaluation of the Management Approach	Page 17 Pages 22-24 Pages 22-24	XX
FCC 11 – Supporting entrepreneurship			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary 103-2 The Management Approach and its components 103-3 Evaluation of the Management Approach	Page 17 Pages 41-42 Pages 41-42, 48	XX
FCC 12 – Supporting national and international initiatives and programs			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary 103-2 The Management Approach and its components 103-3 Evaluation of the Management Approach	Page 17 Page 26, 54-56 Pages 49-52, 58-60	XX
FCC 13 – Sustainable financing			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary 103-2 The Management Approach and its components 103-3 Evaluation of the Management Approach	Page 17 Page 64 Page 68	XX

Appendix A

FCC products, services and programs

(GRI 102-2)

The following is an extensive list of FCC's products, services and programs. Selecting any of the highlighted words will take you to further information on the FCC website.

Who we are

- We serve our customers through our 99 field offices located primarily in rural Canada, a government relations office in Ottawa, Ont., and our corporate office located in Regina, Sask.
- We provide employees with learning programs on how to apply FCC's cultural practices. The Culture Fundamentals program helps new employees understand what our culture is about and what is expected in terms of how employees behave and work together every day. Regular culture articles are released throughout the year to focus on fundamentals and re-emphasize critical components of our culture. During the COVID-19 pandemic, special attention was brought to working from home, how to adapt to the current situation and how to properly communicate employee needs. The Culture Plus program continues with a focus on strengthening and deepening our culture for all employees.
- We support the development of our leaders with the Leadership Transformation Program. This program is provided to all new leaders at FCC. The focus is on helping leaders develop an authentic leadership presence that inspires employees to do their best every day. The program includes classroom and/or virtual learning, coaching, and other development experiences to ensure leaders transfer their new way of being to the workplace every day.
- Our [Summer Student Program](#) provides students with work experience that helps prepare them for employment upon graduation. There is a focus on hiring students from diverse backgrounds.
- The [Indigenous Student Empowerment Fund](#) helps Indigenous students attending one of five Saskatchewan post-secondary institutions achieve their educational goals while creating awareness about FCC as a potential employer. FCC provides a total of \$50,000 to the fund to assist with expenses such as groceries, bus passes, childcare and damage deposits, so students will be able to spend more time focused on school and less time worrying about financial stress.
- FCC's Diversity, Equity and Inclusion team helps us strengthen our shared understanding of diversity in our workplace and community.
- To support employees in creating a work environment that is respectful of differences, we offer online diversity awareness training for new employees. This required training provides learners with awareness, knowledge and strategies on providing equitable service to our customers and employees and creating positive conversations in the workplace about diversity. In addition, FCC offers online Indigenous awareness training, created by 4 Seasons of Reconciliation, that is required to be completed by all employees. The training provides foundational knowledge of truth and reconciliation.
- To increase FCC's visibility among members of the four designated groups, we sponsor various ethno-cultural community events and maintain our presence at universities, colleges and career fairs across the country.

- To provide superior service in both official languages, we offer language training programs for employees in bilingual positions.
- Our Employee and Family Assistance Program enables employees and their families to access confidential counselling, advisory and information services.
- Our FCC Health and Safety Policy Committee, made up of management and employee representatives, ensures safety is top of mind throughout the corporation.
- Our internal learning programs help employees efficiently gain the skills and knowledge they require to be successful in their positions, and support FCC's core business needs.
- Our FCC Employee Crisis Fund is cost-shared with employees and allows us to show compassion as well as extend financial help to co-workers facing difficult circumstances.

What we stand for

We contribute to the strength and future of the agriculture and agri-food industry.

- We provide our customers with products and services tailored to their unique needs. Customers can choose lending options that match their business plans and goals.
- FCC partners with agribusiness and agri-food producers to expand into new markets, improve efficiency and capacity, adopt new technologies and take advantage of opportunities.
- We offer a convenient online service that allows customers to access up-to-date information about their online accounts and loan payment schedules.

- FCC works with national and regional industry associations to strengthen and grow the agriculture and agri-food industry. This includes participating in events and meetings to share knowledge and solicit input and feedback on issues facing the industry.
- We help build success for young farmers with products such as the [FCC Young Farmer](#), [FCC Young Entrepreneur](#) and [Transition loans](#). Our Starter Loan helps young borrowers involved in agriculture access the financial capital and knowledge they need to start and grow their businesses.
- Our [Women Entrepreneur Program](#) supports women entrepreneurs involved in the agriculture and agri-food industry by providing the capital they need to grow their businesses, along with the meaningful skill development opportunities they're seeking.
- Our valuable agricultural news and information is offered free of charge and includes [AgriSuccess](#), [Farmland Values Report](#), [Economics](#) and [FCC Knowledge Newsletter](#).
- FCC offers [free learning events](#) for anyone involved in Canadian agriculture, including [FCC Ag Knowledge Exchange](#), [FCC Showcase](#), [Ignite: FCC Young Farmer Summit](#), [webinars](#) and [FCC AgExpert events](#). FCC also provides an extensive amount of information, including workshops and articles, on our public website.
- [FCC AgExpert](#) is a leading farm management software for producers and gives our customers easy-to-use tools to plan, manage and grow their businesses.
- We're a national and provincial sponsor of 4-H Canada and we provide local funding through the [FCC 4-H Club Fund](#).

- We advance [mental health issues](#) through knowledge and partnerships designed to support Canadians involved in farming and rural Canada. Through collaboration with mental health experts, we developed [Rooted in Strength](#), a resource booklet that was distributed to rural mailboxes and is available online and upon request for mental health training sessions.
- Since 2006, we've hosted Canada's largest agriculture research panel through [FCC Vision](#). The panel has over 4,000 members who share their ideas and opinions about Canadian agriculture and how FCC can serve this exciting, growing industry. FCC Vision panelists are from all levels of production, agribusiness and agri-food, or have a business associated with agriculture.

We partner to reduce hunger and enrich rural Canada

- Our flagship community investment program, [FCC Drive Away Hunger](#), focuses on reducing hunger in Canada.
- Through the [FCC AgriSpirit Fund](#), we give \$1.5 million in annual funding to rural registered charities and non-profits across Canada.
- Our [FCC Regina Spirit Fund](#) is an annual \$150,000 fund that supports community enhancement projects in Regina.
- FCC's employee volunteer program included employee volunteer monthly draws and an employee matching donation program. Community team volunteer projects were put on hold due to the pandemic.
- We help producers keep safety top of mind by presenting Canadian Agricultural Safety Week in partnership with the Canadian Agricultural Safety Association.

- In partnership with the Canadian Agricultural Safety Association, our Back to Ag program enables injured farmers and agricultural workers to apply for funding to purchase specialized equipment or adapt existing equipment to get them back to working in agriculture.
- In partnership with Ag Health and Safety Alliance Canada, we fund Gear Up for Ag Health and Safety, a safety-related training course offered to students in agriculture-related fields at various agricultural colleges across the country.
- The FCC AgCrisis Fund allows employees to request support for individual customers facing difficult times, such as a serious illness, fire or farm accidents.
- We support agriculture education by working in partnership with [Agriculture in the Classroom](#) Canada, with a series of learning events and tools designed to engage high school students in careers in agriculture such as a career quest virtual program, a virtual re-launch of the Think Ag program and the creation of worksheet resources that focus on Indigenous agriculture.
- We create meaningful employment opportunities at FCC for graduates of the University of Regina's Campus for All program. Campus for All is a four-year inclusive post-secondary experience for adults with intellectual disabilities. When the students become work-ready (during or at completion of their studies), the Campus for All program partners with Creative Options Regina and the 4to40 initiative to help find them customized employment opportunities. Creative Options Regina has worked closely with FCC to match the abilities and interests of the student with meaningful, customized work at FCC.

- FCC invests a total of \$50,000 to promote official languages across Canada and help residents express the cultural and linguistic diversity of their areas.
- Our FCC United Way campaign supports positive change in the communities where our employees live and work.
- Our Customer Support Programs are a regular part of our business and we encourage customers to contact us if they need assistance.

We operate sustainably and support our customers to do the same

- We measure the GHG emissions of our internal operations each year by collecting corporate-wide information on paper consumption, vehicle and air travel, and fuel and electricity consumption at our corporate and field offices.
- We promote carpooling through a program for corporate office employees and provide parking for cyclists.
- Our [FCC Enviro-Loan](#) and [Energy Loan](#) products help customers enhance their environmental performance and reduce environmental risks. We work with customers to assess their

environmental risks through questionnaires, site inspections and assessment reports. FCC has accountabilities under the Impact Assessment Act and its related regulations and instruments (together, the IAA). FCC complies with the requirements of the IAA if we finance a project that qualifies as a designated project under the IAA.

- Our internal print shop is certified by the Forest Stewardship Council® (FSC®), which means we ensure the paper we use is made from responsibly managed forests, both environmentally and socially, whenever possible. We continue to research the options available and welcome the opportunity to try new environmentally sustainable paper when it's available. FSC® C014114
- FCC is part of the PrintReleaf program, which measures paper consumption and converts pages into real trees planted in global reforestation projects.

Appendix B

Memberships of associations

(GRI 102-13)

Visible, proactive sponsorship and support is provided through formal partnerships and/or multi-year agreements that enable FCC to connect with industry stakeholders and association members. FCC has been building relationships with about 50 agriculture industry associations included among more than 250 associations we support across Canada each year. We continue to focus on our industry association strategy to strengthen existing partnerships and further engage with new groups, with the intent of growing relationships and awareness of industry opportunities and delivering value through knowledge and insights. In addition to our industry partnerships, FCC is actively involved with several other organizations to advance our business practices, including ESG.

Our major partners include the following:

Ag Health and Safety Alliance
 Agricultural Alliance of New Brunswick
 Agriculture in the Classroom
 Agriculture Manufacturers of Canada
 Agriculture Producers Association of Saskatchewan
 Alberta Federation of Agriculture Alberta Milk
 L'Association québécoise des industries de nutrition animale et céréalière
 Atlantic Grains Council
 Atlantic Outstanding Young Farmers
 B.C. Agricultural Council
 B.C. Greenhouse Growers' Association
 B.C. Outstanding Young Farmers
 Canadian Agriculture Human Resource Council
 Canadian Agri-Food Policy Institute
 Canadian Agricultural Safety Association
 Canadian Association of Agri-Retailers
 Canadian Association of Farm Advisors
 Canadian Cattlemen's Association
 Canadian Centre for Diversity and Inclusion
 Canadian Centre for Food Integrity
 Canadian Federation of Agriculture
 Canadian Horticultural Council
 Canadian Poultry and Egg Processors
 Canadian Produce Marketing Association
 Canadian Red Cross
 Canadian Roundtable for Sustainable Beef
 Canadian Roundtable for Sustainable Crops
 Canadian Young Farmers Forum
 Chartered Professionals in Human Resources Saskatchewan
 Chicken Farmers of Canada
 Conference Board of Canada
 Dairy Farmers of Canada
 Dairy Farmers of Manitoba
 Dairy Farmers of Ontario
 Dairy Farmers of P.E.I.
 Do More Agriculture Foundation
 Egg Farmers of Canada
 Farm and Food Care
 Farm Management Canada
 Fédération de la relève agricole du Québec
 Food and Beverage Canada
 Food Banks Canada and other provincial food bank associations
 Food Processors of Canada
 4-H Canada
 Grain Growers of Canada
 Hospitals of Regina Foundation
 International Association for Human Resources

Information Management
Institute of Performance and Learning
Keystone Agriculture Producers Inc.
Le Conseil de la transformation alimentaire et des produits de consommation
Manitoba Outstanding Young Farmers
National Farm Animal Care Council
Newfoundland Federation of Agriculture
Nova Scotia Federation of Agriculture
Ontario Federation of Agriculture
Ontario Outstanding Young Farmers
PEI Federation of Agriculture
Pulse Canada
Saskatchewan Diversity and Inclusion Network
Saskatchewan Outstanding Young Farmers
STARS (Shock Trauma Air Rescue Society)
The eLearning Guild
L'Union des producteurs agricoles
United Potato Growers of Canada
United Way
Western Canadian
Wheat Growers Association
Western Equipment Dealers Association
World at Work

Appendix C

Stakeholder engagement

(GRI 102-43)

CUSTOMERS How we engage	How often
Customers receive a customer experience survey to evaluate our performance.	Annually
The FCC Customer Service Centre handles a wide variety of phone inquiries from customers, prospective customers and the public.	Continually
FCC Vision is Canada's largest agriculture-focused research panel and allows members (both customers and non-customers) to share their ideas and opinions about Canadian agriculture and how FCC can best serve the industry.	Periodically
The Customer Round Table is a small group of customers who provide feedback on ideas, concepts and prototypes on a regular basis. Customers are recruited from FCC Vision and commit to sharing feedback over a three-month period.	Bi-weekly
The FCC Annual Public Meeting is an opportunity for FCC to demonstrate public accountability, transparency and accessibility.	Annually

Stakeholder engagement

(GRI 102-43)

EMPLOYEES How we engage	How often
FCC invites feedback through an employee engagement survey conducted by Kincentric.	Annually
FCC invites employees to share feedback on their employee experience through regular pulse surveys.	Periodically
The Senior Leadership Team Exchange is an online forum for employees to submit questions to senior management about FCC's policies, practices and procedures.	Continually
The Enterprise Management Team attends a series of spring and fall employee meetings and takes part in in-person and virtual question-and-answer sessions.	Annually
Employees take part in discussions with their leaders to review performance and discuss career development.	Semi-annually
Employees can participate in a communication panel to enhance communication across FCC.	Continually
Employees can engage with the Enterprise Management Team and each other through Yammer, an internal online discussion forum that allows employees to ask questions, provide relevant information and acknowledge others.	Continually
The President and CEO communicates via email and FCC's intranet to share insights and obtain employee feedback.	Continually
The Enterprise Management Team communicates via email and FCC's intranet to share insights and obtain employee feedback.	Continually

Stakeholder engagement

(GRI 102-43)

COMMUNITIES (where our customers and employees live and work) How we engage	How often
FCC conducts surveys of partners supporting FCC Drive Away Hunger.	Annually
Formal and informal interactions occur between FCC and many community groups across Canada that are recipients of the FCC AgriSpirit Fund and FCC Regina Spirit Fund.	Periodically
Formal and informal interactions occur between FCC and our national community investment partners: Food Banks Canada, United Way, Canadian Agricultural Safety Association (CASA), Agriculture in the Classroom, Ag Health and Safety Alliance, 4-H Canada and Do More Agriculture Foundation.	Continually
AGRICULTURE AND AGRI-FOOD INDUSTRY (customers and select non-customer groups) How we engage	How often
FCC Vision, as described on pages 9 and 11	Continually
FCC continues to build and maintain mutually beneficial partnerships in the Canadian agriculture and agri-food industry. FCC supports over 250 industry associations through memberships and event or program sponsorships. Beyond financial sponsorships, FCC invests in relationship-building to strengthen and grow our brand and build advocacy among industry associations, their members and other industry influencers.	Continually
FCC provides learning opportunities for customers and non-customers alike to grow their businesses by participating in FCC-sponsored forums, online workshops, learning offerings and special events.	Continually

Stakeholder engagement

(GRI 102-43)

SHAREHOLDER AND ELECTED OFFICIALS	
How we engage	How often
The Minister of Agriculture and Agri-Food is informed about upcoming initiatives and issues by FCC's President and CEO, Enterprise Management Team, Director of Government Relations and Complaints Officer in Ottawa, and others.	Continually
Formal and informal interactions occur between the FCC Board Chair, other FCC directors and the Enterprise Management Team.	Continually
The Member of Parliament (MP) visitation program is an opportunity for FCC Vice-Presidents and District Directors across the country to provide information to, and solicit feedback from, their local MPs who represent both government and opposition caucuses.	Annually
The Director of Government Relations and Complaints Officer is in regular contact with the AAFC Parliamentary Affairs Team regarding opportunities to present FCC-specific information to the standing committees of the House and/or Senate committees.	Periodically
THE FINANCIAL SECTOR	
How we engage	How often
FCC actively builds relationships, partners and shares information with financial institutions and credit unions at the local and national levels.	Continually
FCC works closely with commercial Crown corporations to build relationships and share information on initiatives and issues.	Continually

In pursuit of being a good corporate citizen, FCC partners with:



The Conference Board of Canada | Le Conference Board du Canada

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Canadian
human rights
commission

My Canada
includes
everyone.



We post our ESG report online at fcc.ca to help reduce our impact on the environment. Our current and past reports are available in English and French.

To provide feedback about this report or FCC's ESG efforts, email us at esg@fcc.ca.



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