

2020 ANNUAL REPORT

RESILIENT RESPONSIVE READY



RESILIENT in a disruptive year.
RESPONSIVE to unforeseen challenges.
READY to drive Canada's post-pandemic recovery.

In this highly unusual year, partnership played a big role in keeping the canola industry strong. The wide-ranging challenges included COVID-19, spring harvesting, a heatwave in July and the ongoing market access blockage with China. Working together, we tapped into the remarkable resilience that exists all through the canola value chain.

As we navigated the twist and turns, we never lost sight of our long-term destination and what it would take to get there. We managed the difficulties of 2020 and positioned canola for greater success as we work together to grow our future.

THE YEAR AT A GLANCE

| | 2020 RESULTS | 2025 TARGET |
|---|-----------------------|---|
| Exported Seed | 11.6 MMT ¹ | 12 MMT |
| Domestic Processing | 10.3 MMT | 14 MMT |
| Acres | 20.8 million | 22 million |
| Yield | 40.1 bu/acre | 52 bu/acre |
| Production | 18.7 MMT | 26 MMT |
| Oil Content (average of No. 1 Grade) | 44.1% ² | Maintain global competitiveness in oil content (10 yr average = 44.4%) |
| Saturated Fat Content | 6.8% ² | Global leadership position in oil saturated fat content |
| Meal Crude Protein Content (oil-free, 12% moisture basis) | 38.6% ² | Increase protein availability by target species (10 yr average = 38.0%) |

MMT= Million Metric Tonnes
 All statistics are for 2020 calendar year.

1 Based on preliminary Canadian Grain Commission data
 2 Canadian Grain Commission

OUR 2025 SUSTAINABILITY GOALS



18% REDUCTION

in fuel use/bushel



40% DECREASE

in land needed to produce 1 tonne of canola



5 MILLION TONNE INCREASE

in soil carbon sequestration each year



4R NUTRIENT STEWARDSHIP

utilized on 90% of acres



SAFEGUARDING 2,000+

beneficial insects that call canola fields and surrounding habitat home

OUR STRATEGIC PLAN

Three priorities guide our work:

SUSTAINABLE, RELIABLE SUPPLY

Meeting growing global demand for Canadian canola while increasing the economic and environmental benefits of every acre

DIFFERENTIATED VALUE

Demonstrating the quality characteristics of canola seed, oil and meal

STABLE AND OPEN TRADE

Creating a trade environment that consistently allows the industry to attain maximum value for canola

PARTNERSHIP ACROSS THE VALUE CHAIN

2020 BOARD OF DIRECTORS

NOMINATED BY CANOLA GROWER ASSOCIATIONS



Charlene Bradley
SaskCanola
CCC chair



Gerry Hertz
Canadian Canola
Growers Association



Charles Fossay
Manitoba Canola
Growers Association



Kevin Serfas
Alberta Canola

NOMINATED BY THE CANADIAN OILSEED PROCESSORS ASSOCIATION



Michael Irons
Archer Daniels Midland Company
CCC second vice-chair



Ryan Law
Bunge



Tracy Lussier
Louis Dreyfus Company



Jeff Pleskach
Cargill Ltd.

NOMINATED BY THE WESTERN GRAIN ELEVATOR ASSOCIATION



Jarrett Beatty
Parrish & Heimbecker



Jennifer Marchand
Cargill Ltd.



Dean McQueen
Viterra
CCC vice-chair



Trevor Veenendaal
G3 Canada Limited

NOMINATED BY LIFE SCIENCE COMPANIES



Garth Hodges
BASF



David Kelner
Bayer, Crop Science Division



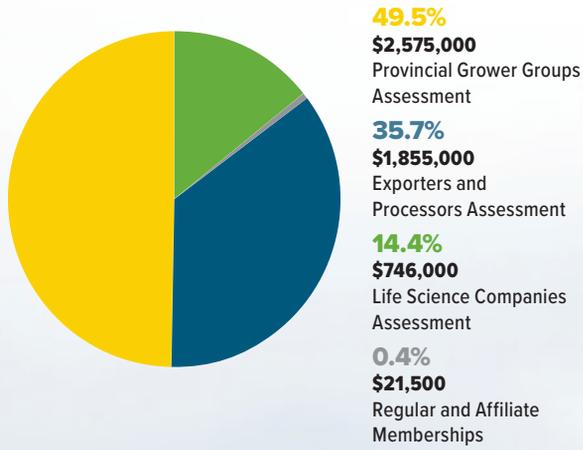
Brad Orr
Corteva AgriScience
CCC finance and planning chair

OUR 2020 CORE FUNDERS

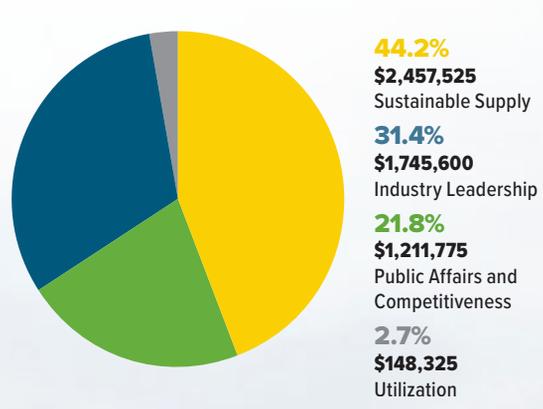


OUR 2020 FINANCIAL SNAPSHOT

WHERE OUR CORE FUNDING COMES FROM¹



HOW IT'S ALLOCATED USE OF CORE FUNDS BY PRIORITY AREA¹



Industry leadership – includes association management, convening the board and membership, communications, government advocacy, and finance and administration

Sustainable supply – includes canola production and innovation, and coordination of canola research

Public affairs and competitiveness – includes market access, trade policy and government advocacy

Utilization – includes global canola brand maintenance and targeted promotion to export markets

Detailed financial reports can be viewed on our website:
canolacouncil.org/about-us/financial-reports

¹Based on the CCC 2020 budget



PRIORITY

SUSTAINABLE, RELIABLE SUPPLY

RESILIENT:

Another high-quality crop was delivered with minimal hitches, despite weather challenges, disease factors and pandemic disruptions.

RESPONSIVE:

Quick action kept information and inputs flowing to mitigate impacts of COVID-19. Equally rapid responses to emerging production challenges supported producers.

READY:

Unwavering focus on long-term goals and value chain partnership left the industry better positioned to grow our future.

ADAPTING TO PANDEMIC CHALLENGES

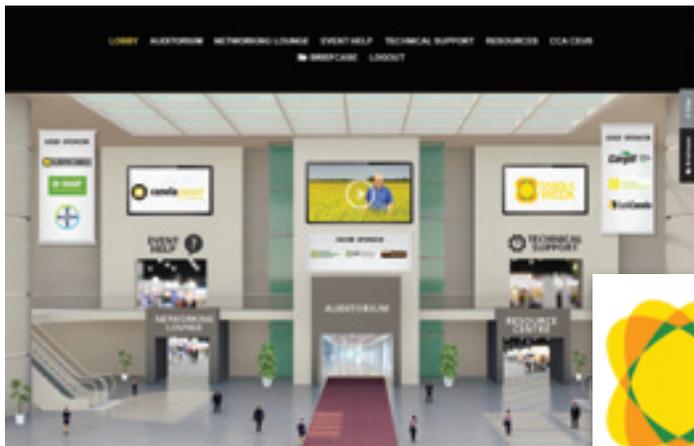
Avoiding potential roadblocks

In the early chaotic days of the pandemic, it wasn't clear whether all parts of the value chain would have access to everything needed to grow, process and deliver the 2020 crop. There were concerns about everything from spring seed supply to whether enough bees could cross the border to pollinate hybrid seed crops.

The Canola Council worked with other national commodity groups to ensure the value chain would not be unduly burdened by the emergency restrictions. Our first order of business was to get the Canadian agri-food sector designated an Essential Service by the Canadian government. It then became easier to access everything the value chain needed to supply high-quality canola products to our customers. Agriculture and Agri-Food Canada (AAFC) played an important role, convening regular consultation sessions with industry and working with public health officials to support Canadian agriculture.

Delivering through virtual events

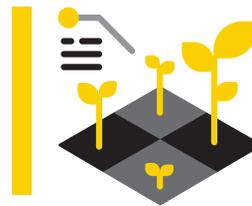
When we weren't able to hold large tours and field days, our team of agronomy specialists participated in webinars, podcasts, virtual tours and videos to ensure growers had access to the same expert advice they've always relied upon. Canola Week, which features the Canola Discovery Forum, also went virtual, opening up the events to a wider audience and attracting twice as many participants as usual.



Protecting research from COVID-19 impacts

As the pandemic put many AAFC field research and laboratory activities on hold, the Canola Council worked with researchers and other commodity groups to push for continuation of projects at AAFC research stations with appropriate safeguards in place. AAFC responded by moving ahead with about 90 per cent of planned Canola AgriScience Cluster projects. We are working closely with partners to ensure unused funding will be rolled over to the next program year.

Good preparation also ensured the pandemic had no major impact on the Western Canada Canola/Rapeseed Recommending Committee variety registration trials in 2020.



90%
of planned
research projects
moved forward
during the pandemic.

650 PEOPLE
participated in Canola Week
as the event went virtual
for the first time.



RENEWING RESOURCES FOR GROWERS

Improving online resources for on-farm decision making

In 2020 we launched a totally new version of the canolacouncil.org website, a key part of our communications toolkit. The new site features many improvements, including a revamped Canola Encyclopedia, making it easier to quickly find agronomic information and explore related articles covered in Canola Watch.



Canola Encyclopedia, the most popular feature of the website, is now better integrated with the Canola Watch e-newsletter. Other improvements make it easier to share content on social media, find related articles and conduct searches.

111%
increase in visit duration on the new canolacouncil.org website

63%
increase in visit duration on the new canolaencyclopedia.ca

We also redesigned the Canola Research Hub, which is now more dynamic and interactive. Improvements make it easier to find research results and connect Canola Council best management practices with scientific evidence.

More ways to share timely advice

Our agronomy specialists continued to monitor for crop threats and provide mitigation advice through communication tools like Canola Watch. We produced 31 editions of the award-winning e-newsletter,

along with 17 podcasts, timely quizzes and the annual certified crop advisor exam. We shared timely content with regional papers and radio stations to help amplify the reach of agronomic information.



27
new one-minute Canola Watch videos on timely, agronomy tips

A new Canola Watch feature this year was a series of short weekly videos on topics ranging from plant establishment, fertility and integrated pest management to harvest/storage management. These share-worthy videos reached a large audience through social media, grower associations and commercial agronomy partners, delivering the right information at just the right time. The most popular video was on assessing plant establishment, generating over 4,450 views.

LEADING THE WAY TO IMPROVED PROFITABILITY AND SUSTAINABILITY

Planning and promoting

One of the best opportunities to improve both the sustainability and profitability of canola production is 4R nutrient stewardship. In 2020 we made fertility the main theme of the Canola Discovery Forum, providing the value chain with a key opportunity to highlight and discuss the practical implementation of 4R management practices.

Contributing to best practices

During the drafting of the Canadian Roundtable for Sustainable Crops' Responsible Grain Code of Practice, the Canola Council provided technical advice to the cross-commodity committee and chaired the Science Advisory Committee. Currently under consultation with farmers and industry, the voluntary Code outlines on-farm practices that proactively demonstrate Canadian growers' care and commitment to the environment and sustainability.



47%
of consumers say they actively seek out food items that have a minimal environmental impact.

Source: Canadian Centre for Food Integrity

Working with partners

We continued to work toward common sustainability goals with a wide range of organizations, including the Canada Grains Council and Honeybee Health Coalition. Sustainability plays an integral role in canola agronomic research and all of the programs we administer.

FINDING SOLUTIONS TOGETHER

Industry-wide teamwork to develop and deliver advice

We continued to convene the value chain to tackle the toughest production risks. Active steering committees focused on clubroot, blackleg, sclerotinia and fertility. Each of these committees brought together commercial agronomists, provincial extension workers, plant breeders and other experts to determine the best practices for growers, the information they need to receive and the most effective ways of delivering it.

We also asked the value chain to collectively consider how we can boost canola yields. During Canola Week, we presented our analysis of the five most common yield robbers that held production back in 2020, and asked the industry to reflect on how we can cross these hurdles through research and extension.

TOP 5 YIELD ROBBERS IN 2020

- July heatwave hurt seed set
- Wet-then-dry means roots not there when needed
- Soggy, flooded fields
- Extreme wind complicating pest control, causing plant damage and contributing to pod shatter and drop
- Disease factors

Seeking more grower input

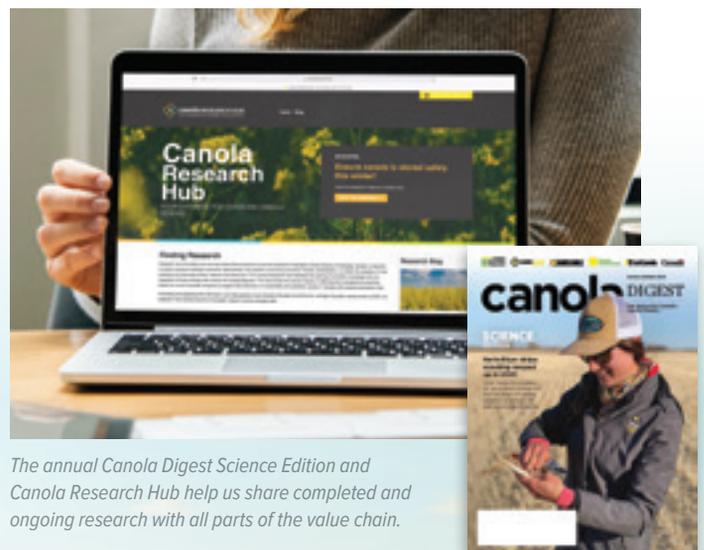
In 2020 we connected with growers to help us answer essential questions about how we can increase yields. In a post-growing season survey, 1,000 farmers were asked to identify key practices that would have the biggest impact on yield improvement, their motivations and barriers to using best management practices, and their preferred ways of receiving agronomic information. This feedback will help us better understand these challenges and opportunities as we fine-tune the way we deliver agronomic advice and information, moving the Canadian industry toward the average yield goal of 52 bu/acre by 2025.

Continued investment in research

Perspectives gleaned from across the value chain ultimately inform how canola research dollars are invested. In 2020 the Canola Council administered nearly \$5 million of public/industry research funded through the Canola AgriScience Cluster and the grower-funded Canola Agronomic Research Program.



\$20 MILLION+ invested in Canola AgriScience Cluster research program funding over five years (2018-2023).



The annual Canola Digest Science Edition and Canola Research Hub help us share completed and ongoing research with all parts of the value chain.



PRIORITY

STABLE AND OPEN TRADE

RESILIENT:

Exports showed signs of recovery despite trade disruptions.

RESPONSIVE:

The value chain aligned on key market access concerns.

READY:

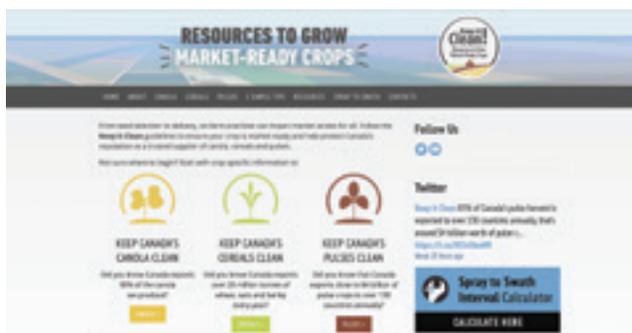
A renewed Market Access Plan is taking shape.



UNITED IN MEETING EXPORT STANDARDS

Encouraging responsible commercialization

Representatives of all parts of the value chain continued to come together through the Canola Council's Market Access Committee so that crop protection and seed technology are commercialized in a way that protects access to export markets. For more than two decades, the Canola Council's policy on seed innovation and responsible commercialization has been fully supported by the value chain. This year marked the fifth year of detailed discussions on crop protection products, where the value chain deliberated on how growers can use products without creating unacceptable global market risks.



Helping growers Keep it Clean

In the fourth year of our partnership with Cereals Canada and Pulse Canada, we made more progress in streamlining our communications and expanding our outreach efforts. Together, we presented five “train the trainer” webinars for agronomists and agri-retailers, and distributed an advisor's toolkit featuring a new pocket guide and pre-harvest glyphosate staging resources. We also fine-tuned our communications tactics to be more effective in driving high-quality traffic to our keepitclean.ca website and gaining coverage in ag media.



69%
increase in resource
downloads



32%
increase in visit
duration



133%
increase in media
mentions

ADVOCATING FOR GOVERNMENT ACTION

Speaking for the value chain in Ottawa

The Canola Council remained active with the federal government on key files where we have value chain consensus. This included ensuring that the sector was able to operate safely as part of Canada's critical infrastructure during COVID-19. More than 70 meetings were held with senior departmental officials, MPs, Ministers and political staff from across the federal government including Environment Canada, Health Canada, Agriculture and Agri-Food Canada, the Canadian Food Inspection Agency, the Pest Management Regulatory Agency (PMRA), Natural Resources Canada and Global Affairs Canada.

Encouraging engagement with China

As we addressed priority trade barriers, China-related activities were our biggest focus. We continued to encourage the Canadian government to engage with China, and coordinated value chain communication aiming at resolving the current trade blockage.

Improving access through CETA

Through the Canadian Agri-Food Trade Alliance (CAFTA), we called for intervention to make the Comprehensive Economic and Trade Agreement (CETA) live up to its potential to resolve non-tariff barriers facing agri-food exports. We were successful in bringing national attention to these issues and garnering support from five premiers.

Seeking science-based regulation

In 2020, Health Canada's PMRA postponed decisions on neonicotinoid seed treatments, which have major implications for flea beetle control. The Canola Council has maintained a coordinated advocacy effort on the matter, including many meetings with federal ministers and their staff, to seek decisions based on actual water monitoring data, rather than computer models. We also continued our support of the Canada Grains Council's efforts to advocate for a sound regulatory framework for plant breeding innovation, including new gene-editing technology. Our goal is a science-based framework that supports the competitiveness of our sector.



In early 2020, an outreach team from the CCC and CCGA met with several key politicians including the Honourable Mary Ng, trade minister (middle). Advocacy meetings were focused on increasing resources to address market access issues in Asia, biofuels and the continued need for science-based decisions at Health Canada and the Canadian Food Inspection Agency.

KEEPING MEMBERS INFORMED

Ongoing updates

Through the bi-weekly Member Update emails and direct outreach to stakeholders, the Canola Council keeps members informed on the domestic and global shifts that could impact the industry. The range of issues communicated in 2020 included proposed pesticide bans in key markets, the implications of Brexit, India's ban on genetically modified seed and efforts to reform the World Trade Organization.

PREPARING FOR NEW CHALLENGES AND OPPORTUNITIES

Renewing the Canola Market Access Plan

In October and November, we held five engagement sessions with members to ensure our market access activities align with their needs. Through a series of online sessions, members discussed a wide range of issues related to maximum residue limits, biotech, biofuel, food safety, labelling and increasing protectionism.

As we renew the plan, we are also calling on the federal government to bolster support for market access activities – particularly in Asian markets.



MORE THAN 50 INDIVIDUALS

from 20 organizations participated in detailed discussions to renew the Canola Market Access Plan

Leveraging CUSMA to align regulation

Looking forward, the Canola Council is identifying opportunities to align North American regulations that enable trade, innovation and competitiveness. In 2020, Council staff spoke at the Trilateral Stakeholder Workshop on Pesticides, which brought together regulators to discuss opportunities to align regulation under the Canada-United States-Mexico Agreement (CUSMA).



Working together with other agri-food export groups, the Canola Council met with the Government House Leader Pablo Rodriguez (third from left) in February to encourage the swift passage of CUSMA.

PRIORITY

DIFFERENTIATED VALUE

RESILIENT:

Demand for Canadian canola remained strong, despite trade disruptions.

RESPONSIVE:

Virtual outreach kept targeted promotions moving.

READY:

More building blocks for market diversification were put in place.

ENGAGING VIRTUALLY WITH KEY MARKETS

When COVID-19 made travel impossible, the Canola Council turned to virtual trade visits, often with the participation of members and AAFC's Trade Commissioner Service. We met virtually with customers and high-potential prospects in several target markets, including:

- Thailand's CP Group, one of the world's largest feed producers
- Japanese canola importers and processors
- The All Pakistan Solvent Extractors Association
- International buyers at the virtual Asia Trade Conference
- High oleic canola oil buyers across global markets
- Canola oil customers in South Korea (virtual mission delivered in January 2021)

The Canola Council also held a virtual Utilization Forum in July to engage, inform and encourage industry alignment on market diversification activities.

PURSuing THE BIOFUEL BOOM

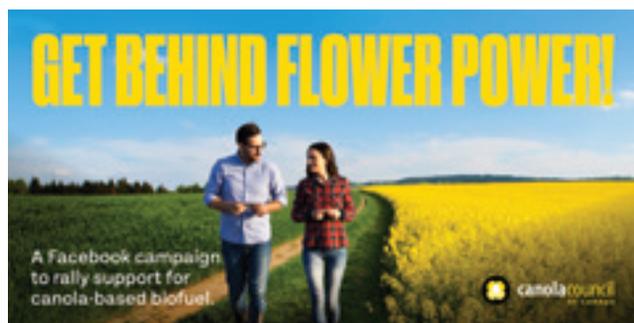
Advocating for a strong federal mandate

For canola oil, one of the best opportunities for growth is the renewable fuels market. And because the federal government is developing a new Clean Fuel Standard (CFS), one of the best places to pursue this opportunity is right here in Canada.

Alongside partners like the Canadian Canola Growers Association and the Canadian Oilseed Processors Association, the Canola Council has been strongly advocating for a CFS that is fair to canola-based biofuels. Our goal is not just to create demand. We also want to ensure that the new federal regulations will not impose additional red tape on canola growers and the supply chain.

If Ottawa gets the CFS right, we could see a domestic market for 2.6 million tonnes of canola seed – that’s about 15% of our production and roughly the size of our exports to Japan. But, the CFS must be well designed to recognize the overall sustainability of Canadian canola without intrusive regulation.

To draw more attention to the cause, we launched a social media campaign with a vibrant Flower Power theme, inviting people to show their support of canola biofuels by becoming part of our Facebook community.



The Flower Power campaign in support of canola biofuel generated more than 1.6 million impressions and 48,000 likes with Canadians.

Making progress at the provincial level

Working in concert with the Manitoba Canola Growers, we made advancements in Manitoba, where the provincial government has committed to raising the minimum renewable content in diesel fuel to five per cent. Draft regulations were tabled in October 2020 and are expected to come into effect in early 2021.

Opening doors to worldwide markets

In the largest biofuel markets – Europe and the U.S. – the Canola Council is seeking full recognition of the Canadian industry’s environmentally friendly practices so that our canola can generate the most value as a renewable fuel feedstock.

REINFORCING CANOLA OIL’S REPUTATION

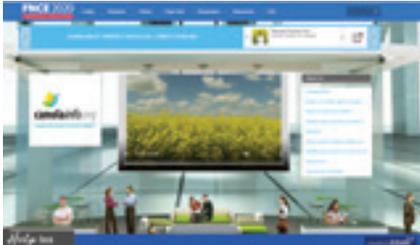
Heart-healthy messaging in key markets

Through CanolaInfo, our consumer information source, we continue to promote canola oil’s attributes in important markets like the U.S. and Mexico. In 2020, Spanish-language promotions included social media campaigns and articles in online lifestyle magazines.

We also monitor the trends and sentiments of nutrition professionals regarding canola oil and other fats, and their association with heart health. In 2020, we paid close attention to the work of the U.S. Dietary Guidelines Advisory Committee, which informed the new guidelines released at the end of 2020.

Proactively combatting misinformation

In 2020 we stepped up our efforts to address canola misinformation on social media. To steer consumers to the facts, we prepared short articles based on popular Google search questions, and featured them on the CanolaInfo.org home page and in social media.



We used virtual opportunities like the Food & Nutrition Conference and Expo to ensure nutrition professionals in the U.S. had access to correct information.

PROMOTING CANOLA MEAL TO THE DAIRY INDUSTRY

Reaching out through webinars

One of the successful outreach activities in 2020 was a series of Canolamazing webinars aimed at dairy professionals in the U.S., China, Vietnam and Canada. Researchers and an independent dairy consultant presented the science behind canola meal's advantages. The recordings are now posted on the Canolamazing.org website in English and Mandarin, along with a new page on research.



800+ dairy professionals tuned into Canolamazing webinars.



Engaging with China

In the current environment, meal remains one of the best opportunities for canola in China. In 2020, we used virtual meetings and partnerships with in-market trade and dairy professionals to foster relations with China's largest dairy and feed companies including China's Yili group, New Hope Liuhe Group and Tongwei.



The Canola Council partnered with the Canadian government Trade Commissioner Service as well as dairy nutritionist Dr. Shucong Li from Agriculture Modeling and Training Systems to ensure messages and resources on canola meal reached participants at the China Dairy Exhibition.

**INNOVATIVE.
SUSTAINABLE.
RESILIENT.**

**CREATING SUPERIOR VALUE
FOR A HEALTHIER WORLD.**



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