

THE OILSEED PROCESSING INDUSTRY: A LEADER IN VALUE ADDED AGRICULTURE IN CANADA

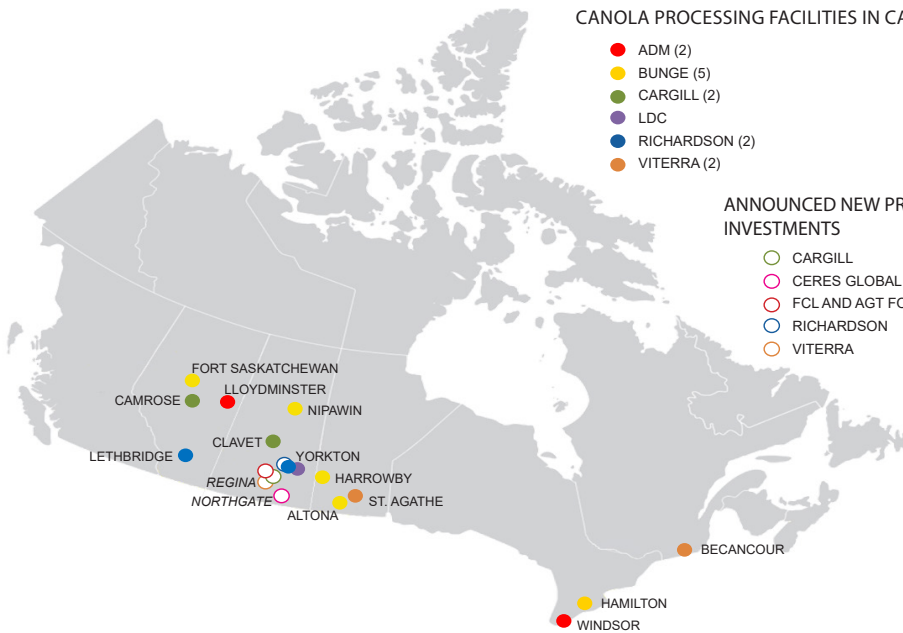
Global demand for canola oil and meal continues to grow, spurring investments in new processing capacity here in Canada.

CANOLA PROCESSING FACILITIES IN CANADA

- ADM (2)
- BUNGE (5)
- CARGILL (2)
- LDC
- RICHARDSON (2)
- VITERRA (2)

ANNOUNCED NEW PROCESSING INVESTMENTS

- CARGILL
- CERES GLOBAL
- FCL AND AGT FOODS
- RICHARDSON
- VITERRA



In 2021 and early 2022, five major announcements will add 6.8 MMT of processing capacity by 2025 – representing a 62% increase from our current capacity of 11 MMT. These capital investments are estimated to exceed \$2 billion, creating thousands of high paying jobs. Once a processing plant is built, it provides a steady source of employment for the community along with a steady source of demand for canola grown by surrounding farmers.

BENEFITS OF MORE VALUE-ADDED PROCESSING



More competition for canola seed raises the overall value of canola



Increased delivery options and flexibility for farmers



Market diversification - including value-added marketing opportunities for oil and meal



Supports value-added production and job creation in Canada



Encouraging investment and innovation in canola varieties and agronomic practices

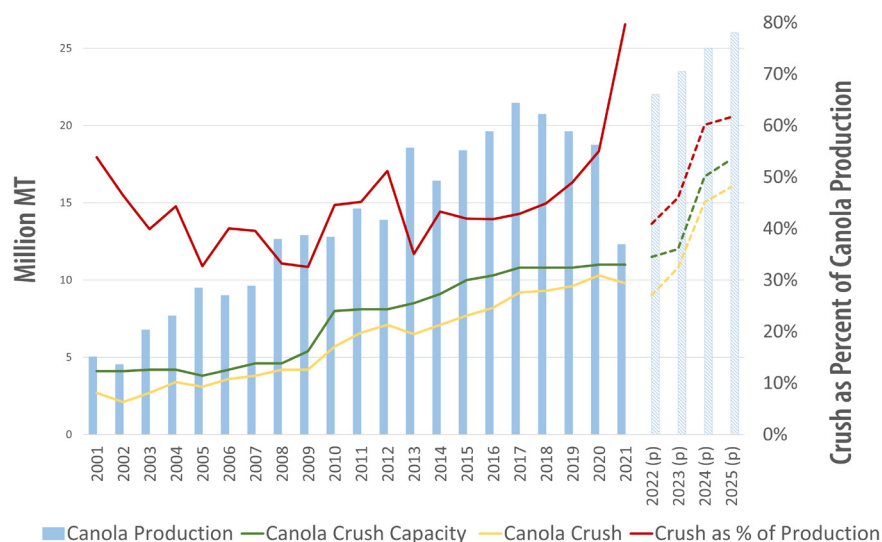


Supports Canadian biofuel investments and greenhouse gas emission reductions

KEEPING PACE WITH THE INDUSTRY'S STRATEGIC PLAN

The new processing investments are aligned with the canola industry's strategic plan to grow canola production and domestic processing volumes. Assuming processing capacity utilization of 90%, approximately 16 MMT of canola will be processed in Canada by 2025. This exceeds the industry's target of 14 MMT and keeps pace with the value chain goal to produce 26 MMT of canola by 2025.

CANOLA PRODUCTION AND CRUSH



By 2025, it's estimated that 62% of canola grown in Canada will be processed in Canada, slightly higher than the long-term average of approximately half of the canola crop being processed domestically.

THE CANADIAN GOVERNMENT'S ROLE IN SUPPORTING VALUE-ADDED INVESTMENTS

The Canadian Oilseed Processors Association (COPA) and the Canola Council of Canada (CCC) work in partnership to represent the interests of oilseed processors in Canada, by addressing public policy decisions, at home and abroad, that are required to help our sector thrive. Public policy priorities include:



Maintaining a competitive and predictable regulatory environment in Canada, including:

- A Clean Fuel Regulation that sets the right market signal for canola-based biofuels
- Carbon pricing mechanisms that are predictable, commercially feasible and reward investments in GHG emissions reductions
- Permitting requirements that encourage capital investments and support industry's ability to operate in a competitive environment
- Regulations that encourage competitive and predictable rail service
- Food and feed safety regulations that align with modern industry practices and support product exports
- Access to tools and technology that support improvements in canola yield/productivity



Commitment in public research that support improvements in canola production



Access to government funding that encourages capital investments in new and innovative processing technologies



Access to international markets and science-based trading rules

Visit canolacouncil.org to learn more.