

2018-19

FARM CREDIT CANADA

CORPORATE SOCIAL  
RESPONSIBILITY REPORT



Agriculture and Food | Community | Customers | Employees | Environment

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# CORPORATE SOCIAL RESPONSIBILITY REPORT

# Message from the President and CEO

(GRI 102-14)



At FCC, we're proud to be the largest agriculture lender in Canada, serving the industry that feeds the world with possibility and passion. We take our role in ensuring the success and vibrancy of the nation's agriculture and agri-food industry to heart. This industry is poised for significant growth in the years to come, with global demand for Canadian food exports on the rise – our goal is to help our customers and the industry to realize their full potential.

One of the ways we work to support the Canadian agriculture and agri-food industry is through the development of our strategy. We undertake an annual strategic planning process to ensure we're focusing our efforts and resources on the right things. In 2017-18, we identified corporate social responsibility (CSR) as a key driver of our strategy. Since that time, we refreshed our strategy to position FCC as a CSR leader among Crown corporations and in 2018-19, we advanced our strategy related to environmental targets, mental health programs, women in agriculture, and our approach to supporting customer integrity and sustainability.

We've already made great strides toward operating sustainably and supporting the industry to do the same – we have a strong community investment program, we're steadfast with our support and promotion of the industry, we offer an unwavering focus on our customers, we provide an exceptional employee experience and we continue to focus on our environmental footprint. CSR is part of who we are and how we operate.

## Highlights from 2018-19

We're committed to making a difference, and these are some of our highlights from the past year:

- To advance our internal environmental performance, we're working to reduce FCC's greenhouse gas (GHG) emissions by 40% by 2025, in line with federal sustainable development targets. Reducing paper use and air travel where possible, using less on-site energy and purchasing renewable energy certificates to increase renewable energy on Canada's power grid are all part of our GHG strategy.

(GRI 102-14)

- In March 2019, we launched our Women Entrepreneur Program to support women entrepreneurs in the agriculture and agri-food sector, providing the capital they need to grow their businesses, along with the meaningful skill development opportunities they're seeking.
- We collaborated with mental health experts to develop an information booklet called *Rooted in Strength*, a resource to encourage dialogue and enable people throughout our industry to seek support if they need it. Last fall, this booklet was distributed to every farm mailbox in Canada. We also partnered with the Do More Agriculture Foundation to sponsor mental health first aid training programs for producers and provided support to 4-H Canada to help them deliver their Healthy Living Program for rural youth across Canada. We also sponsored *Au coeur des familles agricoles*, a well-established organization providing agriculture focused mental health training in Quebec.
- Our 15th annual Drive Away Hunger campaign set a new record, providing over 9.5 million meals for food banks and food programs nationwide.
- Our FCC AgriSpirit Fund contributed \$1.5 million to 84 community projects across Canada in 2018-19, and 32 of these projects were sustainability-based initiatives.
- To help raise the public profile of Canada's agriculture and agri-food industry, together with our over 500 industry partners, we hosted the third annual Canada's Agriculture Day on February 12, 2019, and it was a huge success. Events were held in communities nationwide and we reached millions of Canadians through social media as well.
- We piloted a transition specialist role to assist customers as they prepare for intergenerational business transitions. Our plan is to launch these advisory services nationally and refresh our entire knowledge offering to increase our customers' business management capabilities over the long term, as well as to support financial literacy among younger customers.
- To better serve the next generation of agriculture, we launched the FCC Starter Loan aimed at the 18 to 25-year-old demographic. We also expanded our Ignite: FCC Young Farmer Summit event series from five to 11 events to connect with young producers and industry entrepreneurs nationwide.
- We launched the FCC Employee Crisis Fund to show compassion as well as to extend a bit of financial help (up to \$1,000) to fellow employees facing difficult circumstances. The program is co-funded by FCC and voluntary contributions from staff – employees can contribute \$1 per paycheque to the fund through payroll deduction.
- We believe having a diverse workforce is a competitive advantage that makes our whole workforce better. Among our initiatives, FCC is a proud supporter of Campus for All's 4 to 40 program, which offers term employment to adults with intellectual disabilities.
- FCC takes pride in delivering exceptional customer experiences and we achieved a Net Promoter Score® of 69.5 to finish the fiscal year, placing us among leading financial services and other organizations across Canada and around the world.
- We stand by our customers through the good times and the difficult times, and 2018-19 was a challenging year for many in the industry. Producers in different parts of the country faced springtime challenges such as transportation delays and a rare June frost. A wet, cold fall impacted harvest and quality. Most recently, international trade tensions have affected canola exports and prices. In spite of these setbacks, Canadian producers remain resilient and FCC is there to support them through these difficult periods.

### Building for the future

We're committed to agriculture 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 our CSR mandate, FCC is striving to be a catalyst for sustainability in the industry we serve.

(GRI 102-14)

To do so, we'll continue to advance our own social and sustainable business practices, including lending, procurement, community investment and sponsorships, and provide knowledge and support to our employees across Canada. We'll also explore ways to support the sustainability journeys of our customers with respect to social, environmental, labour and animal welfare standards.

We'll also continue to explore how to better support Indigenous agricultural businesses. This will involve consulting to further deepen our understanding of what Indigenous organizations need in terms of knowledge, advisory services, lending products and other services to support them in advancing their economic activities in primary production or agribusiness and agri-food.

Looking beyond our internal CSR targets and focus areas, we see an opportunity to contribute on a global scale to the United Nations' Sustainable Development Goals. While there are 17 goals and FCC has a direct line of sight to many of them, we're focusing our efforts where FCC can make the most impact based on the nature of our business. This means we're working toward the goals of reducing hunger and enriching rural Canada (UN SDG 2: Zero Hunger), and continuing to advance our own practices and operate sustainably, while supporting our customers to do the same (UN SDG 12: Responsible Consumption and Production).

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 affect positive change in the industry. CSR is what we stand for. 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. FCC is committed to moving our CSR practice forward and I'm excited for the opportunities I see for FCC and the agriculture and agri-food industry.

I invite you to read this report to learn more about our CSR efforts over the past year and to provide feedback to us by emailing [csr@fcc.ca](mailto:csr@fcc.ca).

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

**Michael Hoffort, President and CEO**

# Corporate profile

(GRI 102-1, 102-3, 102-4, 102-5, 102-6, 102-53)

Farm Credit Canada (FCC) is a financially self-sustaining federal Crown corporation reporting to Canadians and Parliament through the Minister of Agriculture and Agri-Food. Our corporate office is located in Regina, Sask.

We provide financing and other services to primary producers, value-added operators, suppliers and processors along the agriculture value chain.

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At FCC, corporate social responsibility (CSR) is an integral part of who we are, what we do and how we do it. It guides how we operate and is an essential part of our commitment to advancing the business of agriculture. We focus our CSR activities on five areas: agriculture and food, community, customers, employees and environment.

This is FCC's ninth annual CSR report. The report measures our CSR performance for the 2018-19 fiscal year, highlights the impact our CSR efforts have on our stakeholders and looks ahead to our future

commitments and plans. Throughout the report, key terms have been hyperlinked to the FCC website for further reading. A section at the end of the 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 CSR priorities and performance by emailing us at [csr@fcc.ca](mailto:csr@fcc.ca).

## Our vision

(GRI 102-16)

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

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 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.

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

- We hold ourselves and each other accountable for our impact on business results and our impact on people.
- We hold ourselves and each other accountable for delivering on commitments, agreements and promises.
- We hold ourselves and each other accountable for building and sustaining committed partnerships.
- We hold ourselves and each other accountable for creating a safe environment where people can speak up without fear.
- We measure our success by how others perceive and respond to our leadership, not by our personal point of view.
- We talk straight in a responsible manner. We are committed to the success of others – we do not engage in conspiracies against people.
- We listen for contributions and commitment. We do not listen against people or ideas.
- We are highly coachable. We actively seek and listen to coaching.
- We clean up and recover quickly.
- We acknowledge others often and celebrate both small and large successes.



## Strategic themes and vision

(GRI 102-14)

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

Our five CSR focus areas are directly linked to these strategic themes, as indicated below:

### **1. Sustainable business success – How we remain viable and relevant to customers and the agriculture sector (Agriculture and food, Community, Customers, Environment)**

FCC is Canada's leading agriculture and agri-food lender. Recognized as a catalyst for the industry, FCC is respected and supported by stakeholders who understand the unique value that FCC brings to the market. The corporation has the financial strength to serve the agriculture industry through all economic cycles, focusing on small and medium-sized primary producers and agribusinesses.

### **2. Great customer relationships – How we achieve great customer relationships (Customers)**

Strong customer relationships are central to FCC's success. The corporation's unmatched knowledge of agriculture and agri-food and finance continues to be foundational to building great customer relationships. Partnering with FCC is easy – employees know their customers and are able to offer innovative and flexible solutions to unique business challenges over the long term.

### **3. Execution excellence – How we enable great customer relationships (Environment)**

FCC anticipates customer needs and exceeds expectations through agile and innovative solutions, processes and systems. FCC is a digital organization and internal systems are optimized and employees have the tools and knowledge to do their jobs.

### **4. Effective enterprise risk management – How we protect FCC and great customer relationships (Agriculture and food, Customers)**

Sound risk management ensures ongoing viability for FCC and protects great customer relationships. FCC has risk management processes and practices that are reflective of our mandate and consistent with a federally regulated financial institution. FCC stays within our risk appetite and tolerances and maintains an appropriate level of capital.

### **5. High-performance culture – How we work together to achieve great customer relationships (Employees)**

FCC is sought out by prospective employees as a highly desirable place to work. Employees come to FCC because of the corporation's outstanding culture and reputation. They stay because the work environment is everything they heard: meaningful work coupled with high expectations that are supported by an unparalleled ability to learn and grow as a professional, and a team environment that is conducive to providing an exceptional customer experience. Customers feel it and appreciate it.

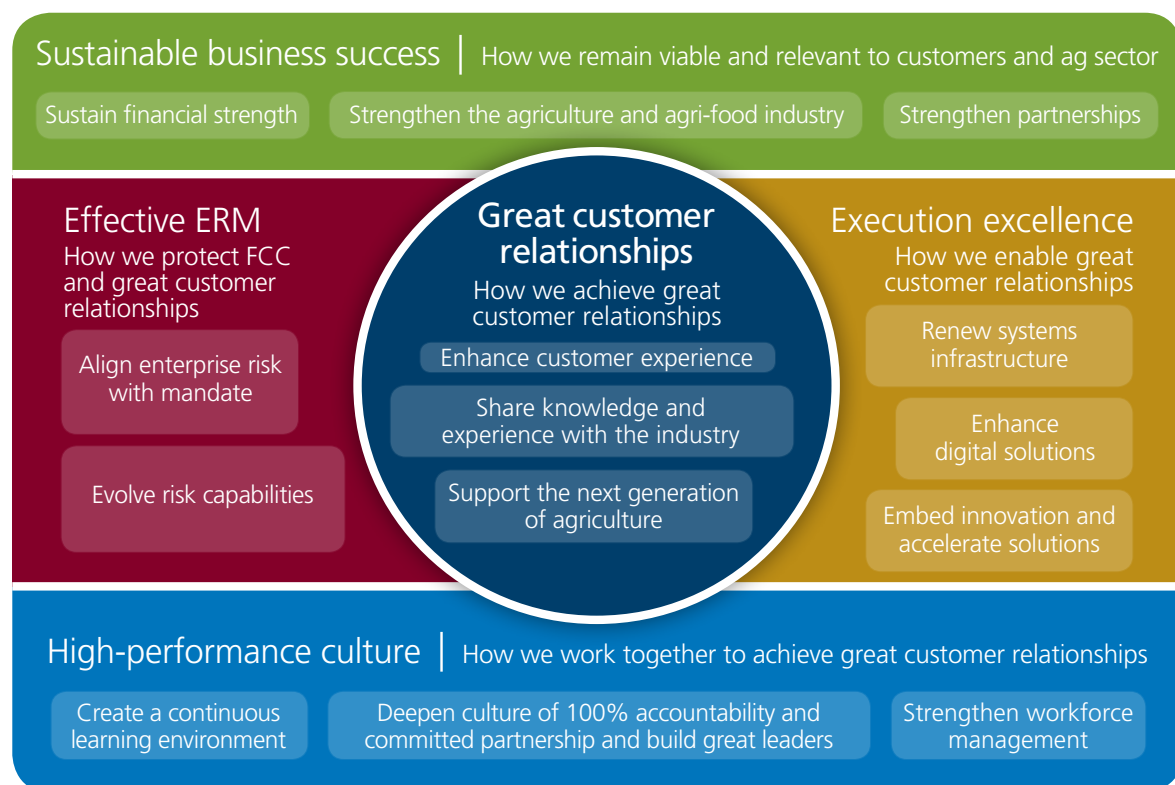
## FCC 2018-19 corporate strategy map

### Vision

The full agriculture and agri-food value chain believes FCC is *advancing the business of agriculture*.  
 We are *the* place to obtain 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 a socially and environmentally responsible corporation.  
 FCC is 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.

### Mission

To enhance rural Canada by providing specialized and personalized business and financial solutions to farm families and agribusiness.



## CSR focus areas



## How we contribute to the United Nations' Sustainable Development Goals

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 businesses and countries to collectively tackle these global challenges. That's why we've identified two UN SDGs where we can make an impact: UN SDG 2: Zero Hunger and UN SDG 12: Responsible Consumption and Production.

Both of these UN SDGs 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, and support the over 850,000 Canadians who are helped by food banks every month.

**UN SDG 2: Zero Hunger:** *End hunger, achieve food security and improved nutrition and promote sustainable agriculture*

As the world's population continues to grow, one of our greatest challenges will be to ensure food security for all. Hunger and food insecurity remain a pressing problem, with significant negative consequences on the development potential and quality of life in many countries. In Canada, food insecurity cuts across demographics and geography, and domestic action is required for Canada to address the specific challenges faced by more vulnerable populations, including its northernmost and Indigenous communities. Canada's approach to sustainable food production and food security are areas of shared responsibility between federal departments, provincial, territorial and municipal governments, food producers and processors, industry stakeholders and communities. As a federal Crown corporation and industry stakeholder, with the sole purpose of serving the industry that feeds Canadians and people around the world, FCC not only has a responsibility to support UN SDG 2: Zero Hunger, but also a unique opportunity to create real impact.

We've identified several targets and corresponding actions in UN SDG 2: Zero Hunger. Our work with FCC Drive Away Hunger, support for inclusiveness in the agriculture and agri-food industry, community investment funding of food initiatives, and financing and knowledge of sustainable production will help us make an impact. To track our progress, we've identified metrics in our performance trend scorecards and

commitment charts that contribute to UN SDG 2: Zero Hunger. You'll see this UN SDG icon when a metric contributes toward this goal:



**UN SDG 12: Responsible Consumption and Production:** *Ensure sustainable consumption and production patterns*

Agriculture feeds the world, and Canada is one of the handful of nations capable of helping address the projected demand for agriculture production. To promote responsible consumption and production, economic growth must align with our existing resource volatility and shifting consumer preferences for safer, renewable and more sustainable natural resources and products.

We've identified several targets and corresponding actions in UN SDG 12: Responsible Production and Consumption. Our work to set environmental targets, provide clear expectations of those we do business with through our social and sustainable management framework, promote FCC Management Software and the digitization of farm records, financing and venture capital for improved technologies and efficiencies to enhance long-term sustainability, and sponsorship for research initiatives that improve resource management efficiency will help make an impact. To track our progress, we've identified metrics in our performance trend scorecards that contribute to UN SDG 12: Responsible Production and Consumption. You'll see this icon when a metric contributes toward this goal:



As we continue to evolve our practices, we'll evaluate our activities in relation to how they support the UN SDGs. We know the work isn't done and we need to keep focusing on making meaningful progress in these areas.

## Executive and Board-level governance

(GRI 102-18)

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, Federal Accountability Act, Employment Equity Act and Official Languages Act.

The FCC Board of Directors represents Canadians and the breadth of the agriculture industry. Its expertise contributes significantly to the corporation's mandate and 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.

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 are fully compliant with the Government of Canada's new process regarding the appointment of directors to fill current and future vacancies.

The Board is responsible for the overall governance of FCC. It ensures business activities are in the best interests of the corporation and the Government of Canada. Board members participate in the strategic planning process and approve FCC's strategic direction and corporate plan.

The Board is composed of 12 members, including the President and CEO and the Chair. Directors serve terms of up to four years and may be reappointed. They bring a combination of agriculture, business and financial experience to the task of governing a corporation that serves an increasingly complex industry. As of March 31, 2019, the FCC Board of Directors has maintained gender parity. For more information about the Board and senior management, including their biographies, visit [fcc.ca](http://fcc.ca) ([About FCC > Leadership](#)).

The Board's Corporate Governance Committee reviews and makes recommendations to the Board with respect to sound governance practices. It also oversees FCC's policies on ethics, conflicts of interest and the code of conduct for employees and Board members. It is also responsible for approving the CSR report. For more information on Board committees, remuneration and evaluation of Board performance, visit [fcc.ca](http://fcc.ca) to read our [2018-19 Annual Report \(About FCC > Governance\)](#).

FCC's Enterprise Management Team oversees our CSR program and is responsible for decision-making on environmental, economic and social impacts. For more information on the [Enterprise Management Team](#), visit [fcc.ca](http://fcc.ca) ([About FCC > Leadership](#)).

## Code of conduct and ethics

(GRI 102-16, 102-17)

At FCC, acting with integrity and maintaining the highest ethical standards are vital priorities. On appointment and every year during his or her tenure, each director signs a declaration committing to act in accordance with FCC's Code of Conduct and Ethics. The Board has also established a process to directly disclose any potential violations of the code by the President and CEO and his or her direct reports, and a policy that specifies how to address situations where a director has a conflict of interest.

Employees are obligated to report 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 the public who have questions or want to report possible violations, including fraud and theft, regulatory violations, conflicts of interest, falsification of corporate records, ethics violations and releases of proprietary information.

Employees and the public also have the option to go to the Public Sector Integrity Commissioner with questions and to report possible violations.

FCC's Integrity Officer discloses all possible violations of the code and discusses ongoing employee education and awareness with the Board annually. All employees are required to participate in an online training program each year to ensure they understand and apply FCC's Code of Conduct and Ethics.

## Stakeholder engagement

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

At FCC, our CSR approach is centred on stakeholder engagement. We value the opinions of our stakeholders, look for opportunities to hear their feedback and ideas, and factor their needs into business decisions.

FCC worked with Canadian Business for Social Responsibility in 2010 to identify our list of stakeholders. We worked with our employees to develop a stakeholder map and key stakeholder groups based on the impact and influence the stakeholder has on FCC and vice versa. Our key stakeholder groups are:

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

The chart on the following page outlines our stakeholder engagement activities.

## Approach to stakeholder engagement

(GRI 102-43)

Customers How we engage	How often
Customers receive a customer experience survey to evaluate our performance.	<b>Annually</b>
The FCC Customer Service Centre handles a wide variety of phone inquiries from customers, prospective customers and the general public.	<b>Continually</b>
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.	<b>Periodically</b>
The FCC Annual Public Meeting is an opportunity for FCC to demonstrate public accountability, transparency and accessibility.	<b>Annually</b>

Employees How we engage	How often
FCC invites feedback through an employee engagement survey conducted by Aon Hewitt.	<b>Annually</b>
The Senior Leadership Team Exchange is an online forum for employees to submit questions to senior management about FCC's policies, practices and procedures.	<b>Continually</b>
The Enterprise Management Team attends a series of spring and fall meetings (which bring all employees together in their geographic area) and takes part in in-person employee question-and-answer sessions.	<b>Annually</b>
Employees take part in discussions with their leaders to review performance and discuss career development.	<b>Semi-annually</b>
Employees can participate in a communication panel to enhance communication across FCC.	<b>Continually</b>
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.	<b>Continually</b>
The President and CEO communicates via email and blog to share insights and obtain employee feedback.	<b>Continually</b>
The Enterprise Management Team communicates via email and blog to share insights and obtain employee feedback.	<b>Continually</b>

## Approach to stakeholder engagement

(GRI 102-43)

Communities (where our customers and employees live and work) How we engage	How often
FCC conducts surveys of schools and partners of FCC Drive Away Hunger.	<b>Annually</b>
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.	<b>Occasionally</b>
Formal and informal interactions occur between FCC and our national community investment partners: Food Banks Canada, the United Way, the Canadian Agricultural Safety Association (CASA), Agriculture in the Classroom, the Ag Health and Safety Alliance, 4-H Canada and the Do More Agriculture Foundation.	<b>Continually</b>

Agriculture and agri-food industry (customers and select non-customer groups) How we engage	How often
FCC vision, as described on pages 6 and 9.	<b>Continually</b>
FCC continues to build and maintain mutually beneficial partnerships with agriculture industry organizations across the country whose objectives align with FCC's strategic vision and goals. FCC supports over 250 agriculture industry associations across Canada and sectors through memberships and event and program sponsorships. Beyond the financial sponsorship that FCC offers, the sponsorship program builds relationships and grows advocacy among industry associations, their members and other industry influencers.	<b>Continually</b>
FCC provides learning opportunities for customers and non-customers alike to grow their businesses by participating in FCC-sponsored forums, workshops, learning offerings and special events.	<b>Continually</b>



## Approach to 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, Government and Stakeholder Relations Director in Ottawa and others.	Continually
Formal and informal interactions occur between the FCC Board of Directors and the Enterprise Management Team.	Bimonthly
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
FCC proactively seeks out opportunities to present FCC-specific information to standing committees or to House and Senate committees.	Occasionally

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 and learn information on initiatives and issues.	Continually

## Key topics and concerns raised by stakeholders

(GRI 102-44)

FCC has a defined approach to engage stakeholders. We strive to seek input and understand our stakeholders' needs so we can better align our strategies and build input 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 Exchange (an online forum for employees to submit questions to senior management about FCC's policies, practices and procedures) had six CSR-related inquiries in 2018-19, including topics such as recognition, flexible work arrangements, FCC's environmental performance, benefits and employee wellness.

We maintain an open dialogue with all stakeholders. Our Customer Complaint 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 are confidential. Our Access to Information and Privacy Office responds to any inquiries that come in through that channel.

Only access to information requests 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 six access to information requests reported in 2018-19.

## Materiality

(GRI 102-46)

FCC conducted a materiality assessment in 2018-19 so we can consider the CSR topics that are of highest priority to our most important internal and external stakeholders, along with perceived strengths and areas where FCC could make the most significant impact.

Feedback from six online surveys, including FCC Vision, was gathered from over 1,100 employees, customers, non-customers, industry associations and the Board of Directors. Interviews were conducted with select survey participants and workshops were held with subject matter experts and senior executives at FCC to further discuss why certain topics are considered priorities and how FCC can address these topics.

### 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. The following outlines more specifically FCC's approach for this assessment:

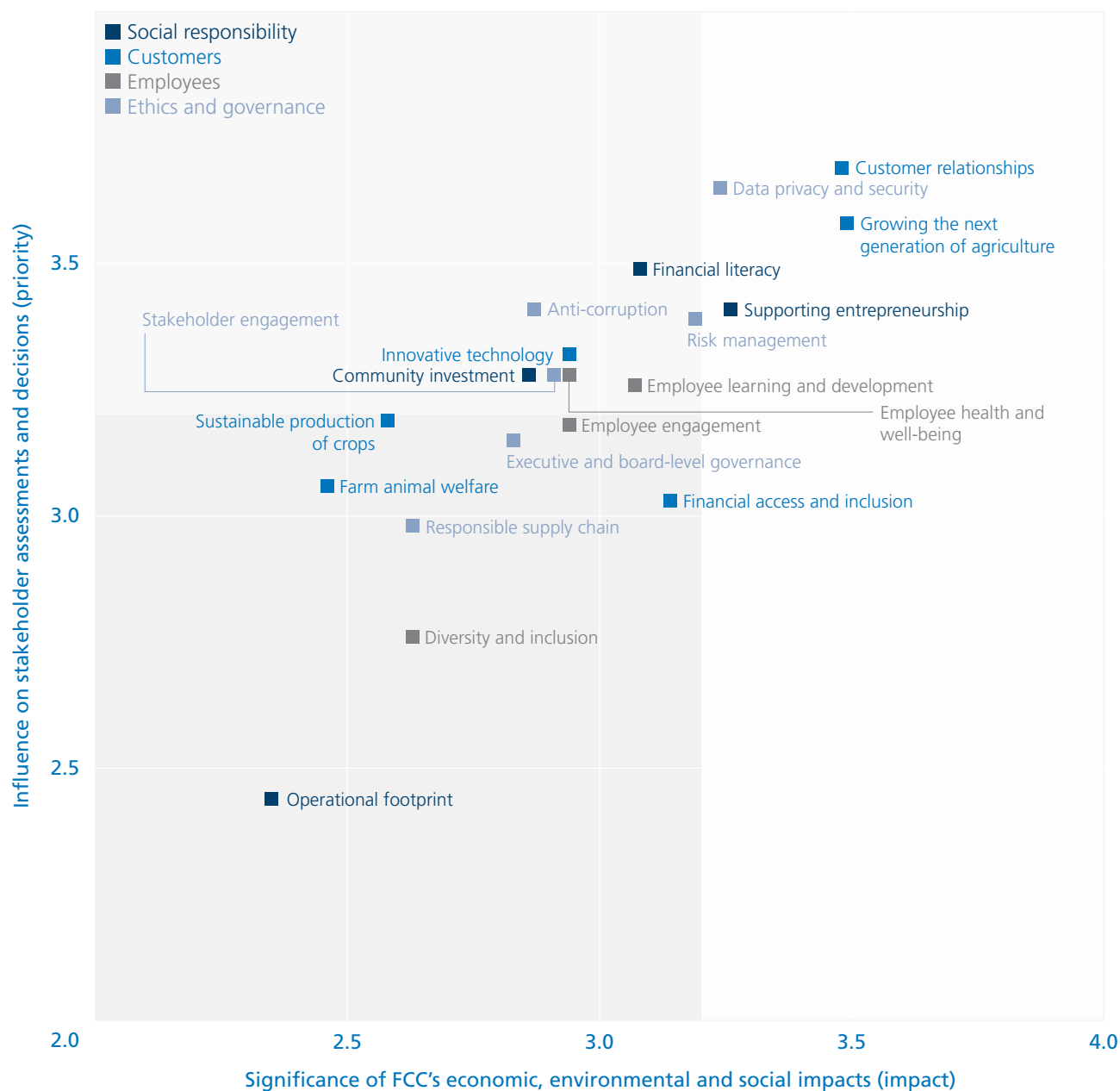
1. **Identification** involved reviewing the prior topics identified by FCC (from earlier assessments) as well as the material topics identified by several of FCC's peers.
2. **Prioritization** involved a combination of online surveys and phone interviews to understand the priorities and expectations of key stakeholders, along with perceived risks and opportunities related to CSR at FCC.
3. **Validation** involved a workshop with executives and subject-matter experts at FCC to discuss areas where changes or improvements can occur based on what was learned from the earlier steps.

### Results

Of the 20 topics in the survey, three stand out as the highest priorities: customer satisfaction, growing the next generation of agriculture, and data privacy and security. These are also the areas where we believe FCC can have the biggest impact. Results indicate FCC is performing best in many of the topics associated with employees, ethics and governance. Our areas for greatest improvement include financial literacy, supporting entrepreneurship, growing the next generation of agriculture, and employee health and well-being.

Qualitative responses suggest there's room for improvement in customer satisfaction and financial access and inclusion, both of which are core mandates of FCC. Both the FCC Vision panel survey respondents and employees indicated ease of doing business, agricultural advocacy, and knowledge sharing of best practices as areas where FCC could have greater involvement.

## CSR topics



Material topics and boundaries (GRI 102-47, 103-1)				
FCC material topics	GRI material topics	Impact boundaries		
		Within FCC	Outside FCC	Page references
Anti-corruption	GRI 205-1 Anti-Corruption	Yes	Customers, agriculture and agri-food industry, Government of Canada, employees	45
Community investments	GRI 201-1/FSS – Economic performance	Yes	Customers and their communities, employees and their communities, rural Canada	38
Customer relationships	GRI 102-43, 102-44/ FSS – Product and services labelling	xx	Customers	14, 42
Privacy data and security	GRI 418-1 – Customer privacy	xx	Customers	43
Diversity and inclusion	GRI 405-1 – Diversity and equal opportunity	Yes	Employees	50
Employee learning and development	GRI 404-1 – Training and education	Yes	Employees	49
Employee engagement	GRI 401-1 – Employment	Yes	Employees	48
Employee health and well-being	n/a	Yes	Employees	51
Executive and Board-level governance	GRI 102-18 – Governance structure	Yes	Employees, Board of Directors, Government of Canada	12
Farm animal welfare	n/a	xx	Customers, agriculture and agri-food industry, consumers, retailers	27
Financial literacy	n/a	xx	Customers, agriculture and agri-food industry, employees	31
Financial access and inclusion	n/a	xx	Customers, agriculture and agri-food industry	30

## Material topics and boundaries (GRI 102-47, 103-1)

FCC material topics	GRI material topics	Impact boundaries		
		Within FCC	Outside FCC	Page references
Growing the next generation of agriculture	n/a	xx	Customers and their communities, agriculture and agri-food industry, Government of Canada	28
Innovative technology	n/a	xx	Employees, customers	46
Operational footprint	GRI 301-1 – Materials GRI 302-1 – Energy GRI 305-1 – Emissions GRI 305-2 – Emissions GRI 305-3 – Emissions	xx	Employees and communities where operations exist	60-61, 63, 66-69
Responsible supply chain	GRI 102-9 G – Supply chain	Yes	Customers, employees, Government of Canada	26
Risk management	n/a	xx	Customers, Government of Canada, rural Canada, competitors, agriculture and agri-food industry	25
Stakeholder engagement	n/a	xx	Customers, employees, Government of Canada, rural Canada, competitors, agriculture and agri-food industry	13-16
Supporting entrepreneurship	n/a	xx	Customers, agriculture and agri-food industry	29
Sustainable production of crops	n/a	xx	Customers, agriculture and agri-food industry	62

## Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or which it endorses (GRI 102-12)

Canada Labour Code (including occupational health and safety) and legislation (including the Employment Equity Act and the Official Languages Act).

## The Precautionary Principle

(GRI 102-11)

The Precautionary Principle isn't commonplace in the financial sector. FCC is committed to operating in an environmentally responsible manner. We hold ourselves to high standards and take the environment into consideration throughout our daily operating activities, including the increased use of teleconferencing and double-sided printing.

Year over year, we make continuous improvements in the efficiency of our building operations. While FCC doesn't own any of our office buildings, we work in partnership with the property owners to implement environmentally friendly and energy-efficient changes. In 2018-19, many existing offices were upgraded with interior and exterior LED light fixtures as well as more efficient HVAC systems when new systems were required. 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. At FCC's corporate offices, some washrooms were updated with low-flow fixtures and a washroom hand towel recapture program was implemented. Lighting was also replaced in stairwells and the parking garage with LED tubes. Our property

owners completed a comprehensive waste audit and will implement recommendations in 2019-20 based on their findings. Each year, we measure and report on our energy and electrical usage for most of our operations. The 2018-19 results can be found on [pages 66-69](#) of this report.

The FCC corporate office tower is a BOMA BEST® (Building Environmental Standards) rated building. FCC also leases several floors in a tower adjacent to our corporate office tower. The shell of the adjacent building is Leadership in Energy and Environmental Design (LEED) Certified Silver and the core of the building follows LEED Certified Silver guidelines.

## Membership of associations

(GRI 102-13)

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

FCC facts (GRI 102-3, 102-4, 102-5, 102-7)	
<b>Status</b>	Federal Crown corporation – Farm Credit Act 1959
<b>Corporate office location</b>	Regina, Sask.
<b>President and CEO</b>	Michael Hoffort
<b>Board Chair</b>	Dale Johnston
<b>Number of employees</b>	More than 1,900
<b>Number of offices</b>	97
<b>Number of customers</b>	More than 100,000
<b>Office locations</b>	See <a href="http://fcc.ca">fcc.ca</a> (About FCC>Contact)
<b>Public policy</b>	See <a href="http://fcc.ca">fcc.ca</a> (About FCC>Governance>Public Policy role)
<b>Code of conduct and ethics</b>	See <a href="http://fcc.ca">fcc.ca</a> (About FCC>Governance>Transparency>Code of Conduct and Ethics)



## Financial performance

(GRI 102-7, 201-1)

FCC is a financially self-sustaining Canadian federal Crown corporation. 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. Our portfolio of \$36.1 billion and 26 consecutive years of growth reflect our customers' continued confidence in FCC.

	2016-17	2017-18	2018-19
	(Millions of Canadian dollars)		
<b>Direct economic value generated</b>			
Revenue	1,184.3	1,330.4 <sup>1</sup>	1,563.3
<b>Economic value distributed</b>			
Operating costs	326.81	404.6 <sup>3</sup>	642.1
Employee wages and benefits	230.2	238.2	255.4
Payments to providers of capital (dividends)	268.3	308.3	364.0
Community investment	2.9	3.9	4.3
<b>Economic value retained (economic value generated less economic value distributed)</b>	356.1 <sup>2</sup>	375.4 <sup>3</sup>	297.4

<sup>1</sup> Revenue restated due to an error in calculations. (GRI 102-48)

<sup>2</sup> Total adjusted as a result of operating cost adjustment. (GRI 102-48)

<sup>3</sup> 2017-18 Operating costs and economic value retained have been restated. (GRI 102-48)

## Risk management

(GRI 103-2)

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.

Each 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. 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 instant decisions can be met while risk levels are appropriately managed.

To gauge progress on effective enterprise risk management, FCC has adopted KPMG's enterprise risk management maturity measure. The measure uses a five-point scale and is based on a maturity model 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 since March 2016.

FCC also offers knowledge and events to help producers, agribusiness and agri-food operators manage the risks they encounter in their day-to-day operations. Strong risk management by producers and agribusiness and agri-food operators combined with effective risk management by FCC, Canada's leading provider of financial and business solutions, contributes to a vibrant and long-lasting Canadian agriculture and agri-food industry.

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.

## Facility changes

(GRI 102-10)

Location	Office opening, move, expansion or closure
Lloydminster, Alta.	Move
Alma, Que. (Satellite)	Move
Assiniboia, Sask.	Move
Grande Prairie, Alta.	Move
Morden, Man.	Move
Lethbridge, Alta.	Move
Clinton, Ont.	Expansion
Montreal, Que.	Opening
St. Catharines, Ont.	Opening
Vineland, Ont.	Closure
Carman, Man.	Closure

## Responsible supply chain

(GRI 102-9, 103-2)

FCC's supply chain is typical of a business office operation (office supplies, equipment, office furnishings, apparel and other promotional items, etc.).

In addition to FCC's Supplier Code of Conduct that was developed in 2014-15, FCC approved a principles-based approach to social and sustainable management practices that is extended to those we do business with.

Through the social and sustainable management framework, FCC commits to having the highest level of integrity in our business dealings.

FCC follows 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

FCC is committed to the highest standards of integrity not only for us, but for those we do business with:

- We expect suppliers to respect and adhere to all applicable local, provincial and federal laws and regulations.
- All human rights as described in the acts must be respected and upheld.
- Entities must be aware of how their activities could affect FCC's reputation and commitment to promoting the interests of Canada's ethical producers and agribusiness operators.

## Significant changes during the reporting period to locations of operations and supply chain

(GRI 102-10)

There were no major changes in suppliers in 2018-19.

# Agriculture and food

We support the development of a sustainable, competitive and innovative Canadian agriculture industry. We do this by providing knowledge and education and by supporting initiatives and forming partnerships that make the industry stronger.

## Material issues impacting the agriculture and food focus area

### Farm animal welfare

(GRI 103-2)

In recent years, the market has seen increasing focus on sustainability standards set by retailers and expected by consumers, which are affecting the farm animal welfare practices of agribusinesses and producers.

FCC attends 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.

Last year, FCC approved a principles-based approach to social and sustainable management practices, 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."

We also provide knowledge to our customers on animal welfare through articles published in our AgriSuccess publication, on our website and through customer workshops.

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

## Growing the next generation of agriculture

(GRI 103-2)

More than ever, FCC recognizes the importance of engaging the next generation in Canada's agriculture and agri-food industry. According to Canada's 2016 Census of Agriculture, the average age of Canadian agricultural producers is 55. The opportunity exists for young people to enter and contribute to the industry. FCC's presence in agriculture puts us in a unique position to help facilitate that important process.

Young producers play a key role in a vibrant, sustainable industry and we continue to engage the next generation of producers. In 2018-19, our successful Ignite: FCC Young Farmer Summit event series expanded from five to 11 events. Ignite is aimed at attracting and engaging the next generation of farmers, as well as food manufacturers and retailers. The events featured speakers who inspired, informed and introduced new ways of thinking about agriculture.

We continue to help young people discover the modern, forward-thinking industry of agriculture. We support the next generation through our FCC on Campus program for post-secondary students. We also focus our efforts on teaching school-age children and young adults about where their food comes from and how it's produced and building a stronger appreciation for the dedication and care that's put into food production every day. We generate passion and interest in an industry that offers many career opportunities by partnering with Agriculture in the Classroom, 4-H Canada, and in Quebec, l'Association des jeunes ruraux du Québec and la Fédération de la relève agricole du Québec.

To support the next generation of agriculture, we have a Young Farmer Loan aimed at producers under the age of 40. And in 2018-19, we launched the FCC Starter Loan to engage young producers right as they're starting their careers in agriculture. The FCC Starter loan is aimed at young producers and agribusiness operators obtaining their first loan and 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. And, they come with free AgExpert Software to start the young producers off on the right foot with respect to record keeping and financial literacy. In addition, FCC also launched the Young Entrepreneur Loan aimed at

agribusiness operators under the age of 40. This loan also features attractive rates and discounted fees to support young entrepreneurs in agriculture.

Successful transition and 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 operation started.

In response, we launched several activities to assist producers with the farm transition process. We introduced Agriculture Transition Specialists to provide in-person advisory services to customers who need support developing transition plans.

We offer the FCC Transition Loan to help both the buyer and seller in a farm transition. For the buyer, the FCC Transition 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.

We continue to provide important knowledge on the topic of transition. Our Let's Talk Transition campaign provides articles, videos and tools to raise awareness of the importance of a farm transition plan and initiate the farm succession process. Our field staff are also using this knowledge content to guide transition conversations with customers. In addition, we host numerous free events around the country on the topic of farm transition.

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

## Supporting entrepreneurship

(GRI 103-2)

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, those businesses that are upstream and downstream of primary producers contribute to a healthy and progressive industry, acting as catalysts for evolution, innovation and development in agriculture. We continue to evolve how we serve the agribusiness and agri-food sector, to support the 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 the age of 40, with features such as reduced fees, to help them get started in their businesses.

In addition to helping new entrants, FCC performed a holistic review of our agribusiness and agri-food offering in 2018-19 and has made several enhancements designed to support entrepreneurs in the agriculture industry. FCC's eligibility criteria was clarified and expanded to allow the organization to support a broader range of agribusiness and agri-food entrepreneurs. FCC's risk appetite was reviewed and expanded to serve new markets and customer segments, particularly in the small and medium

categories, where access to financing is lacking. And, new, inclusive branding that speaks to the entire value chain will be launched in 2019-20 to better appeal to this segment of our customers.

A new venture capital framework and strategy was developed to expand FCC's focus on early-stage investments. The 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 sector. This objective will be achieved through three main streams of work:

- expanding funding for later-stage operations
- increasing funding for early-stage enterprises
- partnering with organizations to enhance advice and expertise for early-stage operations

The responsibility for managing this work is shared between our Executive Vice-President and Chief Operating Officer and our Executive Vice-President and Chief Financial Officer.

## Financial access and inclusion

(GRI 103-2)

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. Women accounted for 28.7% of farm operators in 2016 – nearly 78,000 of nearly 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.

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, however 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.

To meet the needs of women in agriculture, FCC is pursuing the following actions:

- The federal government initiated a women entrepreneurship strategy in 2018 to help women entrepreneurs grow their businesses with access to financing, talent, networks and expertise. As a federal financial institution, 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.
- Through the FCC Women Entrepreneur Program, FCC has committed \$500 million over three years in support of the FCC Women Entrepreneur Loan to provide women with increased access to capital. Under this loan, FCC will waive up to \$1,000 in processing fees and encourage borrowers to reinvest those savings into personal and professional development that best suits their individual needs and the needs of their growing businesses.

- FCC will continue to provide access to advisory services, value-added knowledge content and expand learning events on topics of interest to women.

**Young people in agriculture:** This topic was covered under the material topic Growing the Next Generation of Agriculture on [page 28](#).

**Indigenous peoples:** Supporting the social and economic inclusion of Indigenous peoples is a priority for FCC. Canadian agriculture and agri-food represent one of the greatest economic opportunities available to Indigenous communities across Canada. Ensuring Indigenous communities and peoples are able to leverage their land and traditional knowledge through greater access to business, advisory and lending supports in the agriculture and agri-food industry is important for Canada and the industry.

In 2018-19, FCC took exploratory steps to determine how we can support economic development in Indigenous communities, particularly in primary production and agribusiness and agri-food. FCC is aware of the historical challenges and continues to work with industry partners on emerging best practices to address legal status and governance structure related to land ownership 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.

Going forward, FCC will broaden and deepen our understanding of what Indigenous organizations need in terms of knowledge, advisory services, lending products and other services to support them in advancing their economic activities.

Responsibility for managing financial access and inclusion is shared between the Executive Vice-President and Chief Marketing Officer and the Executive Vice-President, Law and Corporate Secretary.

## Financial literacy

(GRI 102-43, 103-2/FSS)

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 lives of Canada's farm families and rural communities.

Through strategic planning efforts, we're taking a more deliberate approach to fostering growth in the agriculture and agri-food sectors and are looking at new services to meet the professional needs of this sophisticated industry.

We work hard to deliver value well beyond the loan transaction and part of how we do this is by sharing knowledge.

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.

We share knowledge and insights that enrich the lives and businesses of customers and non-customers alike. The total attendance for our learning events in 2018-19 was 12,552 and we had over 1.5 million views or listens to our articles, videos, blog posts, podcasts and webinars.



Two topics we focus on are financial management on the farm and providing financial tips for a smoother transition of operations through transition planning.

We've extended this focus on financial literacy to the next generation of agriculture producers with the launch of a new online business hub and an improved transition loan product. These projects are designed to support the longevity of the agriculture and agri-food industry, ensuring its strength for generations to come.

Another way we promote financial literacy 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, plan their operation's strategy and track their performance. The software, along with webinars and training sessions, go a long way to growing producers' and operators' business acumen.

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





Agriculture and Food – performance trends						
Priorities	Measures	2016-17 performance	2017-18 performance	2018-19 performance	Impact of 2018-19 performance	Future plans
Help young producers develop in the industry	Dollars lent to young producers 	\$3.21 billion	\$3.29 billion	Ag production: \$3.08 billion <sup>4</sup> Agribusiness and agri-food: \$105 million	Allows more young producers and entrepreneurs to choose a career in agriculture, ensuring a future for the industry	Achieve \$3.18 billion in young farmer lending to agriculture production and \$149 million in lending to young agribusiness and agri-food operators Deliver 8-10 Ignite: FCC Young Farmer Summit events across the country
Increase industry knowledge and skills for a successful and profitable industry	Number of individuals benefiting from learning experiences provided by FCC 	11,695 – FCC-hosted event attendees <sup>5</sup> 295,128 – views of e-learning videos, podcasts and webinars 6,819 – people reached through FCC Speakers Bureau	15,203 – FCC-hosted event attendees <sup>5</sup> 1,520,286 – views of e-learning videos, podcasts and webinars 14,239 – people reached through FCC Speakers Bureau	12,552 – FCC-hosted event attendees <sup>5</sup> 1,547,762 – views of e-learning videos, podcasts and webinars 18,007 – people reached through FCC Speakers Bureau	Producers and agribusiness operators have the information and training they need to advance their farm management practices	Achieve a score of 4.0 or greater on the post-event survey question “I took home valuable information to my operation” Achieve a total attendance of 12,000 at FCC-hosted learning events

<sup>4</sup> This total includes lending to young producers and young agribusiness and agri-food operators.

<sup>5</sup> FCC-hosted learning events include hands-on workshops, seminars and showcase with inspiring speakers.

Agriculture and Food – performance trends						
Priorities	Measures	2016-17 performance	2017-18 performance	2018-19 performance	Impact of 2018-19 performance	Future plans
Strengthen and support agriculture and agri-food networks	Number of industry association partnerships	258	250	250	Industry associations better understand FCC's role in the agriculture industry and are equipped with messaging to promote agriculture	Continue to enhance and serve Canadian agriculture through provincial and national sponsorships
	Dollars invested in support of industry associations	\$1.44 million	\$1.84 million	\$1.72 million		
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 <sup>6</sup>	n/a	n/a	950 students trained at six colleges	Producers have the skills to keep themselves, their families and their employees safe while working in their operations	Continue to partner with Ag Health and Safety Alliance by expanding the program to new colleges across Canada in 2019-20  Continue to strengthen relationships with agriculture safety partners across Canada  Continue to provide funding for the Back to Ag program throughout the year
	Dollars invested in agricultural safety	\$184,500	\$162,500	\$160,000		
	Number of people helped through Back to Ag	6	1	6		

<sup>6</sup> New measure for 2018-19.

Agriculture and Food – performance trends						
Priorities	Measures	2016-17 performance	2017-18 performance	2018-19 performance	Impact of 2018-19 performance	Future plans
Promote agriculture as a vibrant, forward-looking industry, fostering excitement and building a positive image of the industry	Dollars invested in Agriculture in the Classroom 	\$263,000	\$243,000	\$234,300	More students in Canada have a better understanding of the agriculture and agri-food industry and where their food comes from – they're also exposed to career opportunities in the agriculture and agri-food industry	Pilot live engAGe! events with Agriculture in the Classroom in Vancouver, Montreal and Toronto and strive for a minimum of 1,500 student attendees
	Number of students reached through Canadian Agriculture Literacy Week 	25,000	38,345	FCC is no longer the presenting sponsor of Canadian Agriculture Literacy Week and therefore we no longer measure student reach FCC is investigating a new measure around number of students attending live engAGe! events in Canada		
	Total partners and advocates <sup>7</sup> of Agriculture More Than Ever	491 partners 3,562 advocates	535 partners 4,659 advocates	555 partners 5,110 advocates	Canadian producers and operators feel supported and have an outlet to share their positive stories about agriculture – they create a closer connection with people about where their food comes from and how it's produced	Measure industry sentiment along with the type and amount of content the industry engages with the most, using a social listening platform, to inform content and overall strategic approach Plan and deliver Canada's Agriculture Day on Feb. 11, 2020, including the event in Ottawa (with a goal to attract 500 attendees)
	Increased dialogue about Canadian agriculture: Growth in use of key Twitter industry hashtags (#CdnAg #AgCan) Growth in Twitter hashtag impressions by amplifying user content and engaging with users (#AgMore ThanEver #AgPlus QueJamais)	#CdnAg #AgCan – 1,899 monthly average users  #AgMore ThanEver #AgPlus QueJamais – 2,126,648 monthly average impressions	#CdnAg #AgCan – 3,489 monthly average users  #AgMore ThanEver #AgPlus QueJamais – 4,746,342 monthly average impressions	Measure no longer tracked in 2018-19  Measure no longer tracked in 2018-19		
	Sentiment of online conversations in Canadian agriculture <sup>8</sup>	n/a	n/a	Establish baseline to monitor year-over-year change in sentiment		

<sup>7</sup> An advocate is an individual or group that actively promotes agriculture in respectful and meaningful ways.

<sup>8</sup> New measure for 2018-19.

Commitments made for 2018-19	Result
Achieve \$3.09 billion in young farmer lending to agriculture production and \$145.2 million in lending to young agribusiness and agri-food operators	FCC was slightly below target at \$3.08 billion in agriculture production borrowing and \$105 million in agribusiness and agri-food borrowing.
Deliver eight to ten Ignite: FCC Young Farmer Summit events across the country 	FCC met this target and expanded the Ignite: FCC Young Farmer Summit events from five to 11 events across the country. These high-energy events are designed to inspire and engage the next generation of agriculture producers and operators.
Achieve a score of 4.0 or greater on the post-event survey question "I took home valuable information to my operation"	FCC met this target. Content offered through FCC-hosted learning events was tailored to the interests of the audience and speakers were coached to provide key takeaways for the audience to bring home with them.
Achieve a total attendance of 12,000 at FCC Learning events	FCC met this target by reaching 12,552 people through FCC-hosted learning events.
Continue to be diligent in how we allocate sponsorship dollars and work with national and provincial organizations and farm groups to strengthen and support the Canadian agriculture and agri-food industry	FCC met this target. We assess the merits of each sponsorship with established processes and rigour. In 2018-19, we completed a risk assessment and determined that we have effective controls in place to minimize risk to FCC.
Pilot a new program with the Ag Health and Safety Alliance that is focused on agriculture safety for students enrolled in agriculture post-secondary education	FCC met this target. A pilot program through the Ag Health and Safety Alliance trained nearly 1,000 students at six different colleges.
Continue to strengthen relationships with the Canadian Centre for Health and Safety in Agriculture through funding and in-kind support	FCC met this target. We partnered with the Canadian Centre for Health and Safety in Agriculture to develop and deliver four agriculture safety webinars in English and French.
Continue to provide funding on the Back to Ag program throughout the year	FCC met this target. FCC continues to support the Back to Ag program, which had six recipients in 2018-19.
Community investment for agriculture will shift focus to secondary students with the goal of generating awareness, interest, and excitement of career opportunities in the agriculture and agri-food industry	FCC met this target. We're working with Agriculture in the Classroom to develop live events (engAGe!) targeting over 1,500 students to promote careers in agriculture. These events will take place in Toronto, Montreal and Vancouver in the fall of 2019.
Increase annual growth in hashtags on Twitter by 10% over the previous year	FCC changed how we measure industry engagement. FCC no longer monitors the two most popular hashtags in Canadian agriculture to benchmark industry engagement. This measure was limiting, as it assumes every conversation about the industry uses one of those hashtags. Going forward, FCC will track industry engagement from a social listening tool that measures sentiment, location and volume of industry chatter. Currently, FCC is seeing an overall positive-neutral sentiment of 95% in English chatter and 98% positive-neutral sentiment in French chatter.

Commitments made for 2018-19	Result
<p><b>Build three to five strategic relationships along the value chain to support efforts to introduce public trust messages</b></p>	<p>FCC met this target. Agriculture More Than Ever continues to build strategic relationships with external stakeholders, including:</p> <ol style="list-style-type: none"> <li><b>1. <i>Before the Plate</i> movie producer Dylan Sher</b> – Agriculture More Than Ever was able to help sponsor and support public and online viewings of the movie with consumers and within the agriculture and food industry. The movie provided a unique opportunity to expose audiences to the stories about where our food comes from and the people who get it to our plates.</li> <li><b>2. Food Bloggers of Canada</b> – Cultivating relationships with this group allowed Agriculture More than Ever to promote Canada's Agriculture Day with a new group of food industry stakeholders.</li> <li><b>3. Engagement occurred with food industry organizations</b> like Cactus Club Cafe, Restaurants Canada and Aramark.</li> </ol>
<p><b>Plan and deliver Canada's Agriculture Day on February 12, 2019, including the event in Ottawa</b></p>	<p>FCC met this target. Now in its third year, Canada's Agriculture Day continues to build momentum. It's a day for FCC to feature Canadian agriculture and food. Partners and advocates across the country celebrate by taking their messages to social media and hosting a variety of activities. On social media, #CdnAgDay hashtag was trending most of the day (80% increase in Twitter impressions over last year) and we're highlighted in a Twitter moment. The Canada's Agriculture Day conference in Ottawa was hosted by FCC as the presenting sponsor and attracted 510 attendees, including leaders, farmers and stakeholders, celebrating the theme of the future of food.</p> <p>Note: Canada's Agriculture Day is an industry event and these results reflect the entire agriculture industry participating, not just the participation of Agriculture More Than Ever and FCC.</p>

# Community

We foster strong and vibrant communities where our customers and employees live and work, with a focus on rural Canada.

## Material issues impacting the community focus area

### Community investments

(GRI 103-2/FSS)

At FCC, we foster strong and vibrant communities where our customers and employees live and work, with a focus on rural Canada. We do this by supporting projects that make positive changes in these communities and contribute to sustainability.

Our community investment activities are closely aligned with the agriculture industry, focusing on hunger, enhancing rural communities, safety in agriculture, education about agriculture and employee volunteerism.

We have three key funds from which charitable and non-profit organizations can receive support. These funds include the FCC AgriSpirit Fund, FCC Regina Spirit Fund and FCC Aboriginal Student Empowerment Fund. We hold a national food drive each year, FCC Drive Away Hunger, to help raise food and cash donations to support food banks and hunger programs across the country. We also support the United Way and Canadian communities through other giving initiatives.

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 beneficiaries. Community investment funding opportunities are reviewed and analyzed based on specific criteria, including, but not limited to, fitting within our focus areas, inclusiveness and impact on the community.

In addition to this, FCC partners with Agriculture in the Classroom, the Canadian Agricultural Safety Association, the Ag Health and Safety Alliance, Food Banks Canada, 4-H Canada and the Do More Agriculture Foundation.

Goals and targets pertaining to community investments can be found in the Community – Performance Trends table on [pages 39-40](#).

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



(GRI 103-2, 201-1/FSS)

Focus area	Priorities (goals)	Actions	Percentage dollars allocated of total community investment budget
<b>Hunger</b>	To reduce hunger in rural communities across Canada	Executing FCC Drive Away Hunger to raise food and funds for Canadian food banks	<b>11%</b>
<b>Agricultural safety</b>	To contribute to the safety of the industry	Offering the Back to Ag program, supporting Progressive Ag Safety Days, Canadian Agriculture Safety Week, the Canadian Centre for Health and Safety in Agriculture and the AgriSafe Network	<b>9%</b>
<b>Education about agriculture</b>	To promote agriculture as a vibrant, forward-looking industry, fostering excitement and building a positive image of the industry	Supporting agriculture education by working in partnership with Agriculture in the Classroom Canada to fund EngAGe!, a new series of learning events designed to engage high school students in careers in agriculture	<b>7%</b>
<b>Community enhancement</b>	To support the communities where our customers and employees live and work, with a focus on rural Canada	Supporting capital projects in rural Canada through the FCC AgriSpirit Fund Supporting official languages across Canada and helping residents express the cultural and linguistic diversity of their areas Supporting Regina-based charities and non-profits through the FCC Regina Spirit Fund	<b>47%</b>
<b>Volunteerism</b>	To support employee volunteerism	Encouraging employee volunteerism by supporting the organizations our employees serve through our employee donation match program and our monthly volunteer draw	<b>8%</b>
<b>Other</b>		Includes support for customers through the FCC AgCrisis program, support for students through the FCC Aboriginal Student Empowerment Fund and additional community investment opportunities	<b>18%</b>

Community – performance trends						
Priorities	Measures	2016-17 performance	2017-18 performance	2018-19 performance	Impact of 2018-19 performance	Future plans
Reduce hunger in rural communities across Canada	Meals provided through FCC Drive Away Hunger 	6.75 million meals provided	7.28 million meals provided	Over 9.5 million meals provided	Helped reduce hunger in Canada and increase awareness of the issue of hunger locally, provincially and nationally	Provide five million meals for Canadians in need  Continue to support food banks and hunger programs across Canada  Maintain the number of partners and schools participating in FCC Drive Away Hunger
	Number of partners involved in FCC Drive Away Hunger	280	279	255		
	Number of schools involved in FCC Drive Away Hunger	386	409	401		



(GRI 201-1)

Community – performance trends						
Priorities	Measures	2016-17 performance	2017-18 performance	2018-19 performance	Impact of 2018-19 performance	Future plans
Support the communities where our customers and employees live and work	Number of community projects supported through the FCC AgriSpirit Fund, FCC Expression Fund and FCC Regina Spirit Fund	<b>103</b> FCC AgriSpirit Fund: 78 FCC Expression Fund: 8 FCC Regina Spirit Fund: 17	<b>106</b> FCC AgriSpirit Fund: 78 FCC Expression Fund: 10 FCC Regina Spirit Fund: 18	<b>128</b> FCC AgriSpirit Fund: 84 Official languages funding <sup>9</sup> : 23 FCC Regina Spirit Fund: 21	Funding helped charities and non-profit organizations across Canada make life better in their communities through enhancement projects	For FCC's AgriSpirit fund to provide additional consideration to sustainability projects and award \$1.5 million across Canada
	Total dollars donated to charities and non-profit organizations 	\$3 million	\$3.9 million <sup>10</sup>	\$4.3 million		Donate \$3.6 million to Canadian charities, non-profit organizations and communities
Support employee volunteerism	Dollars donated to charities and non-profit organizations via the FCC Employee Volunteer Program 	\$78,851	\$105,045	\$85,994	Employees received the encouragement and support needed to give back to the charities and non-profits they're passionate about to enhance their communities	Fund all eligible employee requests via the FCC Employee Volunteer program in 2019-20
	The number of employees who volunteer each year for the United Way Season of Caring <sup>11</sup>	n/a	n/a	911		Increase volunteerism with the FCC United Way campaign with a goal of more than 950 employees participating in the Season of Caring

<sup>9</sup> The FCC Expression Fund no longer exists. However, the same amount of funding is still being used to fund official languages projects across the country.

<sup>10</sup> This total includes dollars invested through the FCC AgCrisis Fund.

<sup>11</sup> New measure in 2018-19.

Commitments made for 2018-19	Result
<b>Provide five million meals for Canadians in need</b>	FCC significantly exceeded this target by providing over 9.5 million meals for Canadians in need.
<b>Continue to support both food banks and hunger programs across Canada</b>	FCC met this target. We supported food banks and hunger programs in a substantial way.
<b>To support community projects across Canada through FCC's various funds</b>	FCC met this target. We supported 128 projects across the country, including 84 through the FCC AgriSpirit fund, 21 through the FCC Regina Spirit fund and 23 official languages projects.
<b>For FCC's AgriSpirit fund to provide additional consideration to sustainability projects</b> 	FCC met this target. The FCC AgriSpirit Fund supported 32 sustainable projects representing 40% of overall funding.
<b>Donate \$3.6 million to Canadian charities, non-profit organizations and communities</b>	FCC exceeded this target by donating \$4.3 million to charities and non-profit organizations.
<b>Fund all eligible employee requests via the FCC Employee Volunteer Program in 2018-19</b>	FCC met this target and funded all eligible employee requests through the FCC Employee Volunteer Program.
<b>Increase volunteerism with the FCC United Way campaign</b>	FCC met this target. In 2018-19, 911 employees participated in United Way Season of Caring compared to 735 the previous year.

# Customers

We focus on primary producers as well as entrepreneurs along the agriculture value chain. We provide our customers with flexible, competitively priced financing, insurance, software, learning programs and other business services.

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## Material issues impacting the customer focus area

### Customer relationships

(GRI 102-43, 103-2/FSS)

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.

In order to exceed our customer expectations, we have customer experience principles that guide employees to deliver an intentional and differentiated customer experience. These principles provide clarity on the experience we want to deliver to our customers at every touch point. We also have a deliberate and disciplined approach to managing customer relationships, known as the Relationship Management Process.

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 with a similar customer experience focus.

Goals and targets pertaining to customer relationships can be found in the Customers – Performance Trends table on [page 47](#).

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

## Privacy and data security

(GRI 103-2)

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.

We're committed to respecting the privacy of our customers and employees. We continue to raise awareness among employees about the importance of privacy and data protection, 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.

FCC is subject to the Privacy Act (Canada), which is administered by the Office of the Privacy Commissioner of Canada. Under the Privacy Act, FCC must limit the collection, use and disclosure of personal information, provide appropriate security to guard against a loss or misuse of data and provide individuals with a right of access to the personal information FCC holds about them.

Compliance with the Privacy Act is managed by a team in our Governance division under the direction of FCC's Executive Vice-President, Law, Corporate Secretary and Chief Privacy Officer. The team manages FCC's compliance with the Privacy Act, including access to information requests, has oversight of FCC's privacy policies, guides the corporation in identifying and managing privacy risks, and manages responses to privacy incidents.

Concerns or complaints about FCC's privacy practices or our compliance with the Privacy Act can be escalated to the Privacy Commissioner, who acts as an independent ombudsman to resolve privacy problems and oversee compliance with the Privacy Act.

Much of FCC's IT infrastructure is outsourced to service providers. Privacy standards are documented and included in all service agreements and service providers are subject to recurrent audit by FCC. We regularly conduct penetration tests of our IT systems and continually update and upgrade our cyber security with the help of third-party industry experts. To date, we haven't suffered a privacy breach as a result of third-party intrusion into our IT systems.

## Incidents and complaints

(GRI 418-1)

A privacy incident is any potential or actual compromise of personally identifiable information in a form that could be accessed by an unauthorized person. Given FCC's size (over 1,900 employees, 97 offices and over 100,000 customers), privacy incidents do occur.

Employees are responsible to identify privacy incidents, which are reported to and logged by FCC's Privacy team. For the most part, incidents have involved human error on the part of an employee. In the past fiscal year, FCC experienced 33 minor privacy breaches, none of which were determined to be material breaches. No significant privacy incidents were reported to FCC's Privacy Officer and no complaints concerning FCC were made to the Office of the Privacy Commissioner of Canada.

## Promoting privacy protection

We expect employees to respect FCC's privacy principles and integrate privacy protection into their day-to-day business operations:

- Our Code of Conduct and Ethics makes all employees accountable for 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. Our privacy policies reflect our compliance requirements under the Privacy Act and are consistent with the Canadian Standards Association's Model Code for the Protection of Personal Information.
- Privacy training is provided as part of the orientation for all new employees, and privacy information is included in FCC's online integrity training that is completed annually by all employees.
- 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.

FCC has three contact options for privacy complaints:

- Contact FCC's Privacy Officer for questions about FCC's privacy practices or privacy access requests.
- Individuals not satisfied with FCC's response to their questions can contact the Office of the Privacy Commissioner of Canada.
- Anyone wanting to make a complaint – anonymously if they choose – about any type of concern from privacy to employee wrongdoing can do so by contacting ConfidenceLine, an independent whistleblower hotline accessible 24 hours a day, 365 days a year. Callers will talk to an independent professional who will ensure their report of misconduct is handled properly, without having to give their name.

## Acting with integrity

(GRI 102-17)

We support our commitment to our customers through our core values, which include acting with integrity.

FCC's Code of Conduct and Ethics guides how we operate, and our employees have an obligation to speak up in good faith and report possible violations of this code. FCC also provides the public with direct access to FCC's Integrity Officer if they would like to discuss a possible situation.

This code applies to FCC, the FCC Board of Directors and all employees (including permanent, term, contract and work placements). Compliance with this code is a condition of employment and all new employees must sign both the code and a Declaration of Promise of Fidelity and Secrecy, confirming that the employee understands the code and their commitment to comply with it. Employees are required on an annual basis to reaffirm their understanding of the code and their commitment to uphold it and are also required to complete an online training module.

## Anti-corruption

(GRI 205-1)

Corruption is one issue within a broader range of crimes, like money laundering, fraud and terrorist financing, that are increasing on a global scale. Every business in every industry is susceptible – and FCC is no exception.

We know we need to deter theft and fraud and uphold all laws aimed at countering corruption and bribery. FCC's Code of Conduct and Ethics requires that employees be aware of and comply with the laws and regulations applicable to our business activities and act with integrity at all times. More information on FCC's integrity expectations and Code of Conduct and Ethics can be found in the Acting with Integrity section of this report. FCC is also building a comprehensive program to protect the corporation from financial crimes, and this starts with knowing our customers. We know most of our customers are great people operating trustworthy agriculture and agri-food businesses with reputable practices aligned with our integrity expectations. And we also have measures in place to identify those who may be at higher risk for corrupt practices. We are working to implement a program appropriately consistent with federally regulated financial institutions.

To protect FCC against corruption, we screen our current customer portfolio against global watchlists, including regulatory, sanctions, law enforcement and politically exposed persons (PEP). We've enhanced our processes for onboarding new customers to gather additional information, including asking if they're PEP. We conduct various open-source searches (internet and public databases) to identify any red flags suggesting they pose a higher risk to FCC. In a few instances, the diligence performed by our employees determined that a customer was not someone FCC wanted to do business with and we were able to decline the financing request before using additional FCC resources.

We know this type of due diligence matters to our customers. Doing business with integrity, focusing on good governance and complying with policies will maintain our reputation as a trusted partner to our customers. The more effective we are at protecting ourselves against corruption, the more support we can provide to Canada's vibrant agriculture industry.

All employees have a role to play. Key employees in the first, second and third lines of defence have taken part in mandatory training to understand how they can do their part in deterring financial crime. Further comprehensive training will be offered to employees annually based on their role within the organization. We've strengthened FCC's practices to increase our confidence in who we do business with, whether that's a prospective customer, a new vendor or a local company we've worked with for years.

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

## Innovative technology

(GRI 103-2)

It's important to FCC to ensure we remain competitive and relevant. In today's world, this means creatively combining business ideas and technical capabilities to improve or create business models that add value to customers. The expectations of our customers and employees are also evolving as rapidly as the technology around us. As a result, we're investing in our technological and creative capabilities to improve the employee and customer experience and keep pace with other financial institutions.

A fundamental way to address rapidly evolving technologies is to explore and assess how these technologies impact and can be leveraged to benefit our customers and employees. We train and develop our business and technical teams to ensure awareness of the most current business models and technical capabilities and we regularly brainstorm potential new solutions to existing challenges.

FCC has created an Innovation team that leads their work using human-centred design principles to ensure the organization builds solutions with the end user. The Idea Space team helps internal teams innovate on today's priorities while the Innovation Lab team explores near and long-term opportunities. FCC will continue to embed human-centred design principles, resulting in solutions that support an excellent customer and employee experience.

As we innovate and improve, we must also protect our systems and customer information from cyber-attack. This requires constantly evolving risk management tactics, both through electronic means and also employee education. We're continuously improving in this area and are committed to protecting FCC from this risk.

Managing innovative technology and corresponding initiatives and mitigation tactics is the responsibility of the Executive Vice-President and Chief Information Officer.

Customers – performance trends						
Priorities	Measures	2016-17 performance	2017-18 performance	2018-19 performance	Impact of 2018-19 performance	Future plans
Consistently provide an extraordinary customer experience	Customer Experience Index Net Promoter Score® (NPS)	64.5%	Customer Experience Index as of Sept 30, 2017: 65.8% <sup>12</sup> NPS as of March 31, 2018: 76	69.5%	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 70 as our standard of excellence
Demonstrate unwavering support and commitment to customers	Number of customers supported by the FCC AgCrisis Fund	233	287	347	Customers received 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

<sup>12</sup> The CEI measure was replaced with the Net Promoter Score® (NPS) as of October 1, 2017. Measurement for 2017-18 reflects both CEI score as of September 30, 2017, and NPS as of March 31, 2018. For 2018-19, only NPS is reported.

Commitments made for 2018-19	Result
Continue to focus on the customer experience with the goal of achieving an NPS score of 70 as our standard of excellence	FCC met this target with a Net Promoter Score® of 69.5.
To continue to financially support customers facing difficult times through the FCC AgCrisis Fund	FCC exceeded this target with 347 customers supported through the FCC AgCrisis Fund. This is a 21% increase in uptake from the prior year.



# Employees

We foster a culture of accountability, partnership and diversity – and deliver an exceptional employee experience.

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## Material issues impacting the employee focus area

### Employee engagement

(GRI 102-44, 103-2)

Employee engagement is 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, inspires customer loyalty and sets FCC apart in the marketplace.

FCC participates in the annual Aon Hewitt Employee Engagement survey as one way to listen to our employees. Typically, more than 80% of employees complete the annual survey, which takes place in June.

This is considered to be a very high participation rate and it speaks to how highly invested our employees are in sharing their feedback. Our overall employee engagement score was 85% in 2018, in line with the previous year's result. This is a very high rate of engagement that places FCC in the top group of employers – the Platinum level – who take part in the Hewitt survey. 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.

## Employee learning and development

(GRI 103-2)

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's critical that our employees have the learning and knowledge they need to perform in their roles with confidence. FCC is implementing 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 online learning, post-secondary education, internal and external learning events, job shadowing, coaching and mentoring. In 2018-19, we created a new onboarding process for newly hired Operations staff and continue to improve the design and delivery of our learning programs.

In addition to employee learning that is required for their jobs, we also support broader, self-directed learning. Our Employee Development policy outlines our commitments. FCC requires all permanent employees, including those on probation or in developmental roles, and term employees hired for six months or more, to engage in meaningful conversation with their manager about their development. In 2018-19, more than 1,500 employees completed their individual development plans. Typically, employees focus on two aspects of growth – development in their current jobs and preparing themselves for future career opportunities. We believe this growth happens most effectively when employees have ongoing discussions with their managers and create deliberate plans to achieve their goals.

We're also committed to developing leaders who genuinely care about their teams, live our culture, listen with curiosity, communicate openly and are authentic and vulnerable. Great leadership is a key part of the employee experience at FCC. We offer formal

development programs 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 2018-19, we launched a new learning program, Culture Plus, to deepen and reinforce our culture. The first phase of the program, called Lead the Culture, was focused on formal leaders and their unique role in modeling our cultural practices and managing how the culture is demonstrated across their teams. We continue to provide tools and resources for all leaders to continue growing, including an online leadership community, leadership effectiveness workshops, and access to coaching and other external development opportunities as required. And, to ensure we have a pipeline of potential future leaders, we've also launched a learning program to support employees who are interested in becoming leaders in the future. Aspiring leaders' groups have been coming together in various areas throughout the organization to create a common place for employees who share an interest in leadership.

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

- This organization strongly supports the learning and development of its employees.
- My manager works with me to find ways I can develop and grow in my job.
- There are sufficient opportunities within this organization for me to gain new skills.
- This organization has an effective process to help me identify my development needs.

In the 2018 employee engagement survey, FCC's score across the Learning and Development dimension was 76%, up 1% over the previous year's survey.

## Diversity and inclusion

(GRI 103-2)

FCC strives to have a representative workforce – one that reflects the diversity of the qualified Canadian workforce. We're committed to providing a work environment that is inclusive and supports the productivity, personal goals and dignity of all employees.

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.

In addition to this, as a federal Crown corporation operating under the Employment Equity Act, FCC must provide equal opportunities for employment to the four designated groups: women, Aboriginal peoples, persons with disabilities and visible minorities.

Under the Employment Equity Act, FCC is required to make progress in creating a level playing field for all employment equity groups.

In 2018-19, we rolled out the first year of our new three-year diversity and inclusion strategy. The strategy focuses on three key components: attraction, hiring and retention, and advancement of diverse employees.

We're continuing to make progress on our diversity initiatives:

- We have diversity awareness information and resources available to support our employees in creating a work environment that is respectful of all differences.
- In 2018-19, a total of four Indigenous awareness training sessions were delivered to Human Resources staff and leaders at our corporate office. The results of the training were exceptionally positive with 100% of participants stating that the training was "very effective."

- We provided financial support to organizations that promote diversity and inclusion through partnership and sponsorship opportunities. In addition, FCC raises funds through our Denim Days, employee match programs and various community investment donations that are directed toward diversity-serving charities.
- FCC's Indigenous Affinity Group continues to organize an annual calendar of events and organized activities during National Aboriginal History Month and throughout the year to build awareness of the Aboriginal culture within FCC and the community.
- FCC continues to support hiring employees with intellectual disabilities through the 4to40 program with the hiring of a fifth employee in 2018-19. FCC was awarded the 2018 Real Work Award by Inclusion Regina. The Real Work Award is given to an employer who employs persons with an intellectual disability, has a positive attitude and is willing to provide appropriate supports and promote inclusive work practices.

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

- Harassment-free workplace policy
- End-to-end talent supply process
- Canadian Human Rights Act (1998)
- Employment Equity Act (1995)
- Canadian Multiculturalism Act (1988)
- Official Languages Act (1988)

## Employee health and well-being

(GRI 103-2)

FCC strives to support the health and well-being of all employees. We've developed a holistic action plan on mental health that is intended to ensure FCC remains 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.

Our competitive and comprehensive benefits program supports the health and well-being of employees and their dependents. In addition, we provide the flexibility for employees to opt up, down or out of some benefits, or pay more for enhanced benefit coverage and various optional insurance.

Vacation enhances employees' well-being and their work and personal life balance. It contributes to the employee experience by providing employees with a break from their responsibilities, which helps to increase their productivity upon their return. FCC also grants leave without pay on a case-by-case basis to provide employees with the flexibility to respond to family or personal needs, pursue learning activities or provide service to non-profit, voluntary or community organizations.

FCC supports employees with retirement planning by providing tools, information, education and resources. Human Resources offers webinar sessions throughout the fiscal year for both the defined benefit and defined contribution pension plans and provides employees the tools to transfer their pay-at-risk payment to a workplace RRSP that has lower fees due to group buying. Employees are also allocated a \$600 wellness account to cover eligible expenses such as fitness and health-related services, educational and professional development, professional services and green living.

From online and in-person support through our Employee and Family Assistance Program to articles and blogs pertaining to mental health awareness, employees are offered tools and knowledge to support and maintain mental health. FCC hosts an annual mental health awareness week the same week as Bell Let's Talk Day with tactics aimed at employees and managers to help raise awareness and increase comfort in using services such as our Employee and Family Assistance Program. In 2019, we brought in a speaker who delivered multiple presentations on the importance of mindfulness.

FCC supports leaders in gaining valuable knowledge to recognize signs and symptoms of mental health issues among members of their teams by partnering with Mental Health First Aid Canada to offer training to leaders. The two-day, in-person course is aimed at giving leaders the knowledge to recognize a potential problem or intervene if a member of their team is experiencing a crisis. Leaders at FCC also have access to tools and articles on topics ranging from preventing mental health problems and mental health warning signs to getting their employees help and how leaders can care for their own mental health.

In 2019, FCC initiated an Employee Crisis Fund to show compassion as well as to extend a bit of financial help (up to \$1,000) to fellow employees facing difficult circumstances. The program is co-funded by FCC and voluntary contributions from employees.

Goals and targets pertaining to employee engagement, training and education, and diversity and inclusion can be found in the Employees – Performance Trends table on [pages 52-53](#).

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

Employees – performance trends						
Priorities	Measures	2016-17 performance	2017-18 performance	2018-19 performance	Impact of 2018-19 performance	Future plans
Sustain and grow our culture	Employee engagement score (Aon Hewitt survey)	82%	85%	85%	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 a Culture Index score of 80% or above across FCC as measured in the Aon Hewitt survey Roll out Phases 2 and 3 of Culture Plus and receive a high level of engagement in the program
	Culture Index (Aon Hewitt survey) <sup>13</sup>	n/a	n/a	81%		
Enhance leadership capabilities throughout the organization	Leadership satisfaction score (Aon Hewitt survey) <sup>14</sup>	78.7%	79.5%	78.7%	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	To be equal to or better than the other Gold and Platinum employers identified by Aon Hewitt
	Leadership effectiveness score (Aon Hewitt survey) <sup>15</sup>	85%	81% <sup>16</sup>	n/a <sup>17</sup>		

<sup>13</sup> New measure in 2018-19.

<sup>14</sup> The leadership satisfaction score is created by averaging the scores of five key drivers from the survey (senior leadership, direct manager, managing performance, career opportunities, recognition) that strongly correlate to leadership.

<sup>15</sup> Part of the Aon Hewitt employee survey, the leadership effectiveness score measures the percentage of employees who feel their leader is highly effective, moderately effective or not effective. The results above show the percentage of employees who feel their leader is highly effective.

<sup>16</sup> Aon Hewitt changed how they calculate the Leadership Effectiveness Index in 2017.

<sup>17</sup> Aon Hewitt is no longer creating the index as of 2018. Therefore, results for this performance trend are no longer available.

Employees – performance trends						
Priorities	Measures	2016-17 performance	2017-18 performance	2018-19 performance	Impact of 2018-19 performance	Future plans
Build a workforce that reflects the diversity and linguistic duality of our customers and the qualified Canadian workforce	New diversity candidates hired	32 new diversity candidates hired	32 new diversity candidates hired	30 new diversity candidates hired	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 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	Ensure a total of 14% of new hires are diversity candidates Continue to implement updated diversity and inclusion strategy tactics and activities designed to enhance FCC's ability to attract, hire and retain diverse employees
	Number of employees enrolled in second language training	<b>39</b> learning English: 16 learning French: 23	<b>46</b> learning English: 23 learning French: 23	<b>55</b> learning English: 23 learning French: 32		

Commitments made for 2018-19	Result
<b>Launch the new culture refresher learning program in 2018-19 to engage a high percentage of leaders and employees in the various components of the program</b>	FCC met this target. We launched Phase One of the new culture refresher program, Culture Plus, in fall 2018 and it was completed by the end of the fiscal. The next phase launches in spring 2019.
<b>Add questions to the Hewitt survey in 2018 that will more directly measure the health of the culture</b>	FCC met this target. We created a 10-question culture index and added it to the Aon Hewitt survey in 2018.
<b>To be equal to or better than the other Gold and Platinum employers identified by Aon Hewitt</b>	FCC met this target. The average of all Platinum and Gold employers was 78%. FCC exceeded this benchmark by 7%. According to Aon Hewitt, being able to sustain an engagement score at the level FCC does year after year is a significant accomplishment. It speaks to the high level of intention that FCC brings to shaping an employee experience that resonates with employees across job grades, demographics and locations.
<b>Hire 24 new diversity candidates in 2018-19</b>	FCC exceeded this target with 30 new diversity candidates hired.
<b>Implement updated diversity and inclusion strategy tactics and activities designed to enhance FCC's ability to attract, hire, retain and engage diverse employees</b>	FCC met this target. In 2018-19, we rolled out the first year of our three-year diversity and inclusion strategy. The strategy focuses on three key components: attraction, hiring and retention, and advancement of diverse employees. Activities pursued this year include offering Indigenous awareness training to selected leaders, creating diversity awareness information and resources to support employees in creating a work environment that is respectful of all differences, support for the FCC Indigenous Affinity Group and the hiring of a fifth employee with an intellectual disability through the 4to40 program.

## Information on employees and other workers (GRI 102-8)

Total number of employees by employment contract (permanent and temporary), by region			
	2016-17	2017-18	2018-19
British Columbia	65 64 P 1 T	65 65 P 0 T	65 64 P 1 T
Alberta	202 196 P 6 T	203 191 P 12 T	204 195 P 9 T
Saskatchewan	951 900 P 51 T	997 927 P 70 T	1,063 975 P 88 T
Manitoba	75 69 P 6 T	77 72 P 5 T	74 72 P 2 T
Ontario	294 278 P 16 T	294 279 P 15 T	289 278 P 11 T
Quebec	134 120 P 14 T	130 125 P 5 T	139 130 P 9 T
New Brunswick	82 79 P 3 T	84 81 P 3 T	90 85 P 5 T
Nova Scotia	12 12 P 0 T	12 11 P 1 T	13 12 P 1 T
Prince Edward Island	9 9 P 0 T	7 7 P 0 T	9 9 P 0 T
Newfoundland and Labrador	3 3 P 0 T	3 2 P 1 T	2 2 P 0 T
Total	1,827	1,872	1,948

Note: FCC uses "more than 1,900" 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			
	2016-17	2017-18	2018-19
<b>Female</b>	<b>1,134</b> 1,072 F/T 62 P/T	<b>1,168</b> 1,111 F/T 57 P/T	<b>1,209</b> 1,159 F/T 50 P/T
<b>Male</b>	<b>693</b> 678 F/T 15 P/T	<b>704</b> 691 F/T 13 P/T	<b>739</b> 734 F/T 5 P/T
<b>Total</b>	<b>1,827</b>	<b>1,872</b>	<b>1,948</b>

(GRI 102-8)

Total number of employees by employment contract (permanent and temporary), by gender			
	2016-17	2017-18	2018-19
<b>Female</b>	<b>1,134</b> 1,069 P 65 T	<b>1,168</b> 1,095 P 73 T	<b>1,209</b> 1,128 P 81 T
<b>Male</b>	<b>693</b> 661 P 32 T	<b>704</b> 665 P 39 T	<b>739</b> 694 P 45 T
<b>Total</b>	<b>1,827</b>	<b>1,872</b>	<b>1,948</b>

(GRI 401-1)

Total number and rate of new employee hires and exits, by gender and region		
as of March 31, 2019	Hires	Exits
<b>British Columbia</b>	<b>5</b> 4 F 1 M	<b>7</b> 2 F 5 M
<b>Alberta</b>	<b>11</b> 5 F 6 M	<b>17</b> 11 F 6 M
<b>Saskatchewan</b>	<b>47</b> 28 F 19 M	<b>41</b> 26 F 15 M
<b>Manitoba</b>	<b>5</b> 4 F 1 M	<b>5</b> 5 F 0 M
<b>Ontario</b>	<b>10</b> 2 F 8 M	<b>10</b> 4 F 6 M
<b>Quebec</b>	<b>8</b> 1 F 7 M	<b>7</b> 5 F 2 M
<b>New Brunswick</b>	<b>3</b> 2 F 1 M	<b>5</b> 4 F 1 M
<b>Nova Scotia</b>	<b>0</b> 0 F 0 M	<b>0</b> 0 F 0 M
<b>Prince Edward Island</b>	<b>2</b> 1 F 1 M	<b>0</b> 0 F 0 M
<b>Newfoundland and Labrador</b>	<b>0</b> 0 F 0 M	<b>0</b> 0 F 0 M
<b>Total</b>	<b>91</b> 47 F 44 M	<b>92</b> 57 F 35 M

Note: Turnover and hire information is presented based on permanent employees only. We don't maintain information on our contingent workforce at this time and are therefore unable to report on what portion of FCC's work is performed by workers who are legally recognized as self-employed or by individuals other than employees or supervised workers.

(GRI 102-8)

Total number and rate of new employee hires and exits by age group		
as of March 31, 2019	Hires	Exits
Under 30 years	27	14
30-50 years	58	44
Over 50 years	6	34
Total	91	92

## Average hours of training per employee (GRI 404-1)

This information is no longer available for reporting.

## Diversity and equal opportunity (GRI 405-1)

By management vs. non-management and gender <sup>18</sup>			
	2016-17	2017-18	2018-19
Management	260 124 F 136 M	260 120 F 140 M	277 130 F 147 M
Non-management	1,567 1,010 F 557 M	1,612 1,048 F 564 M	1,671 1,079 F 592 M
Total	1,827	1,872	1,948

<sup>18</sup> FCC currently measures only the breakdown of employees according to gender.

## FCC has no employees who are covered under collective bargaining agreements (GRI 102-41)

## Employee survey results – CSR

Each year, several CSR-specific questions are included in the Aon Hewitt employee survey.

Since 2011, all scores have either increased or remained at high levels. We attribute this to several factors, including increased communication to employees about FCC's CSR efforts through our CSR report, in

particular our environmental efforts and the expansion of FCC Drive Away Hunger and other community investment initiatives.

Here's a snapshot of our survey questions and results, including a comparison to the 2018 Best Employers in Canada:

	2016	2017	2018	2018 Best Employers in Canada
<b>This is a socially and environmentally responsible organization.</b>	94%	93%	93%	85%
<b>We have a work environment that is open and accepts individual differences (e.g., gender, race, ethnicity, sexual orientation, religion, age).</b>	95%	94%	95%	90%
<b>This organization is fair, respectful and honest with customers/clients.</b>	94%	96%	95%	*
<b>This organization has an excellent reputation in our local community.</b>	93%	94%	96%	86%
<b>It is important to me that this organization is socially and environmentally responsible.</b>	90%	88%	87%	**
<b>This organization considers long-term social and environmental impacts when it makes decisions.</b>	89%	90%	88%	**

\*Aon Hewitt removed this question from their core survey.

\*\*These are custom questions developed by FCC and they aren't asked of other survey participants.

# Environment

We improve our environmental performance and support the industry with tools and knowledge to do the same.

## Material issues impacting the environment focus area

### Operational footprint

(GRI 103-2, 301-1)

Like many organizations, our success is inevitably linked to environmental issues. Human-made climate change and other global megatrends – including resource scarcity and population growth – all have an impact on our business, our customers and our communities. With 97 office locations across Canada, managing our operational footprint and being an environmentally responsible organization is important to us. In fact, we speak directly to it in our corporate values.

Last year, 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 CO<sub>2</sub>e, and our target is to reach 5,032 tonnes of CO<sub>2</sub>e by 2025. To reach this target, we will strive to reduce our emissions by 307 tonnes of CO<sub>2</sub>e every year from 2017-18 to 2025.

Our internal efforts reinforce our corporate commitment to the environment, and we call on all employees to look for ways to make FCC and their own households more environmentally efficient. Many of our employees

have taken this challenge to heart and actively use recycling stations at work, turn off lights and audiovisual equipment when leaving a meeting room and participate in other environmental initiatives such as carpooling and biking to work.

FCC's corporate offices, accounting for over one-third of our total square footage, use a sophisticated building automation system to continuously monitor and control all the heating, ventilation and air conditioning systems as well as some lighting systems. This enables the building to automatically respond to changes in outdoor temperature, indoor comfort conditions and air quality. The buildings are also continually upgraded with LED lighting and energy-efficient washrooms to reduce energy and water waste. In the coming year, our corporate office buildings will be equipped with on-demand energy monitoring technology to allow us to receive real-time energy usage information and respond quickly to unforeseen fluctuations.

FCC has offices across the country and many are in rural Canada. With our corporate office located in Regina,

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). Employees are encouraged to travel only when necessary, and to look for ways to bundle meetings so that air and vehicle travel is optimized.

Employees are also encouraged to consider whether video or teleconferencing is a viable option in place of air travel. Our goal is to offer cost-effective and environmentally sound transportation choices. In 2018-19, vehicle travel decreased by over 6% over 2017-18, while air travel increased by 15%. In keeping with our environmental targets and focus on emission reductions, we'll continue monitoring and encouraging employees to travel less throughout the year.

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, printer hardware and software upgrades and simply reminding employees to only print when necessary.

We continue to make ongoing investments in digital solutions for both our customers and employees. One example is leveraging digital documents and signatures where possible versus the traditional 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 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.

When we see a trend going in the wrong direction, we adjust our decisions to attempt to correct it. Last year, our paper use emissions rose significantly. After determining that the source of the increase was related to an increased number of printed notebooks for employees and customers, we made the decision to print fewer notebooks. As a result, our paper emissions went down in 2018-19 by 36%.

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

## Sustainable production of crops

(GRI 103-2)

With population growth, resource scarcity and the increasing sustainability standards expected by consumers and retailers, a sustainable agriculture industry is vital to the success of our organization, our customers and the industry.

FCC exercises all reasonable care to safeguard the environment. We understand 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.

FCC's Enviro-Loan encourages 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.

As a federal Crown corporation, FCC is also responsible to comply with the Canadian Environmental Assessment Act, 2012 (CEAA 2012) where required.

Our Environmental Risk Management policy provides the standards and criteria that employees need to follow throughout the lending process.

FCC's software program AgExpert Field provides producers the capability to track and manage data related to crop inputs such as seed, fertilizer, pesticides, water, etc. The more readily available information producers have on inputs, the better they can make decisions that have positive financial and environmental benefits.

The responsibility for managing FCC's product and knowledge offerings including AgExpert software lies with the Executive Vice-President and Chief Marketing Officer.

(GRI 301-1)

Environment – performance trends						
Priorities	Measures	2016-17 performance	2017-18 performance	2018-19 performance	Impact of 2018-19 performance	Future plans
Reduce our greenhouse gas (GHG) emissions and environmental impact	Total GHG emissions in tonnes (t) carbon dioxide equivalent (CO <sub>2</sub> e) 	<b>7,487 t CO<sub>2</sub>e</b> office energy: 5,410 t air travel: 895 t vehicle travel: 982 t paper: 199 t	<b>7,382 t CO<sub>2</sub>e</b> office energy: 5,134 air travel: 904 t vehicle travel: 988 t paper: 356 t	<b>7,584 t CO<sub>2</sub>e</b> office energy: 5,385 t air travel: 1,040 t vehicle travel: 930 t paper: 229 t	We're managing our business and resources responsibly	To continue to focus on strategies to ensure we responsibly manage our GHG emissions over time
	Revenue in millions of Canadian dollars (\$)	\$1,184.3	\$1,330.4 <sup>19</sup>	\$1,563.3		
	Tonnes (t) of carbon dioxide equivalent emissions (CO <sub>2</sub> e) per revenue in millions of Canadian dollars (\$)	6.32 t CO <sub>2</sub> e / \$ million revenue	5.55 t CO <sub>2</sub> e / \$ million revenue <sup>20</sup>	4.85 t CO <sub>2</sub> e / \$ million revenue		To implement consistent environmental practices corporate-wide

<sup>19</sup> Revenue restated due to error in calculations. (GRI 102-48)<sup>20</sup> 2017-18 Revenue and tonnes of carbon dioxide equivalent emissions per revenue in millions of Canadian dollars have been restated. (GRI 102-48)



Environment – performance trends						
Priorities	Measures	2016-17 performance	2017-18 performance	2018-19 performance	Impact of 2018-19 performance	Future plans
Develop and share tools, knowledge and environmental products	Number of dollars loaned to customers who are advancing environmental practices <sup>21</sup>	Energy Loan – \$1.5 million	Energy Loan – \$12.7 million	Energy Loan – \$2.1 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
	 Number of dollars loaned to customers who are advancing environmental practices <sup>21</sup>	Enviro-Loan – \$0	Enviro-Loan – \$0	Enviro-Loan – \$565,000		
Identify and evaluate environmental risks <sup>22</sup>	Number of new real property loans <sup>23</sup>	9,736	8,872	8,586	To protect the environment and mitigate identified risks, FCC conducts environmental assessments of all properties used by customers to secure financing <sup>24</sup>	To continue to require environmental assessments for each new real property loan

<sup>21</sup> 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.

<sup>22</sup> 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. As a federal Crown corporation, FCC is a federal authority with accountabilities under the Canadian Environmental Assessment Act, 2012 (CEAA 2012). We don't provide financing to projects or activities that will cause significant adverse environmental effects.

<sup>23</sup> This number is a conservative estimate based only on new real property loans. Additional environmental risk assessments are also required in certain situations.

<sup>24</sup> 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.

Commitments made for 2018-19	Result
<b>To continue to focus on strategies to ensure we responsibly manage our GHG emissions over time</b>	FCC met this target. FCC has set a GHG emission reduction of 307 tonnes of CO <sub>2</sub> e per year until 2025. This will amount to a 40% GHG emission reduction by 2025, based on 2012 levels.
<b>To roll out the recommendations on our re-envisioning of our internal Think Green program corporate-wide</b>	In progress. FCC began work to communicate CSR successes and expectations, including environmental performance, in a more impactful way in 2018-19. This new CSR story is designed to engage and motivate employees to take action on many CSR-related topics, including environmental initiatives. The rollout of the new CSR story will take place in 2019-20 and will replace the internal Think Green program.
<b>To continue to roll out our Supplier Code of Conduct corporate-wide</b>	In progress. The Supplier Code of Conduct has been implemented in some divisions to date and is being reviewed as part of FCC's overall vendor management strategy.
<b>To implement consistent environmental practices corporate-wide</b>	In progress. As part of FCC's new CSR story, mentioned above, which will communicate FCC's CSR progress in a more impactful way, FCC will outline employee expectations when it comes to environmental performance. The rollout of the new CSR story will take place in 2019-20.
<b>To review products annually and update as needed</b>	FCC met this target. Despite minimal uptake on the Enviro-Loan and Energy Loan as stand-alone products, customers are using FCC's other loan products to make improvements in overall sustainability with respect to social, environmental, labour and animal welfare standards.
<b>To continue to require environmental assessments for each new real property loan</b>	FCC met this target. In 2018-19, an environmental assessment was required for all new real property loans.

## FCC greenhouse gas emissions

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

We've been reporting our greenhouse gas (GHG) emissions since 2010-11. The CSR team analyzed the areas of FCC operations that impact the environment. The team looked at FCC's core business and used the GHG Protocol to evaluate environmental impacts and emissions according to scope. The 2018-19 GHG emission assessment is based on a representative sample of 75% of FCC's total office square footage. Based on this assessment, we determined that FCC's energy use from buildings, employee air and vehicle travel, and paper use have the most significant environmental impact:

- Our 2018-19 building results show an increase in carbon dioxide equivalent (CO<sub>2</sub>e) compared with 2017-18 levels, largely due to the use of more natural gas given the colder winter overall in Canada. Emissions increased from 7,382 tonnes of CO<sub>2</sub>e in 2017-18, to 7,584 tonnes of CO<sub>2</sub>e in 2018-19. An increase in kilometres flown was offset by a reduction in vehicle kilometres driven and less paper usage.
- We increased our air travel by 1,201,295 kilometres, a 15% increase over 2017-18 levels (equal to 136 tonnes of CO<sub>2</sub>e). This number rose as a result of employees requiring travel for training and business purposes. However, given the rise, we'll be looking to further encourage employees to use videoconferencing and trip planning more strategically in the future, to attempt to lower the number of kilometres flown.
- As part of our commitment to create a great customer experience, our employees drive to meet face-to-face with customers. We have actively encouraged employees who travel to carefully plan their routes to be as efficient as possible. As a result, our CO<sub>2</sub>e emissions have decreased in 2018-19, compared to 2017-18. Our employees travelled 261,828 fewer vehicle kilometres in 2018-19 than the year before. This is a decrease of nearly 6% (and equal to over 58 tonnes of CO<sub>2</sub>e).

(tonnes of CO <sub>2</sub> equivalent)	2016-17	2017-18	2018-19
Natural gas	1,402	1,407	1,559
Diesel	0.0	0.6	0.0
Propane	0.0	0.3	1.0
Gasoline	0.0	0.0	0.0
Fuel oil	0.0	0.0	0.0
Electricity	4,008	3,727	3,825
Air travel	895	904	1,040
Vehicle travel	982	988	930
Paper use	199	356	229
<b>Total emissions</b>	<b>7,486<sup>25</sup></b>	<b>7,382.9<sup>26</sup></b>	<b>7,584<sup>27</sup></b>

<sup>25</sup> 2016-17: Based on an assessment of 50 out of 100 offices, representing 77% of FCC's total square footage.

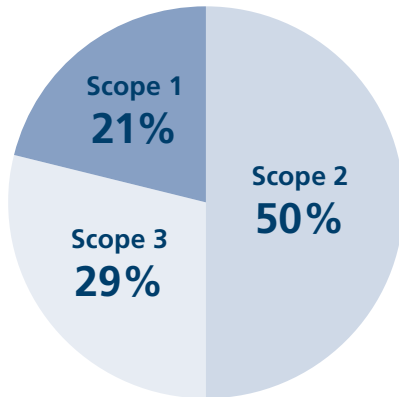
<sup>26</sup> 2017-18: Based on an assessment of 59 out of 98 offices, representing 79% of FCC's total square footage.

<sup>27</sup> 2018-19: Based on an assessment of 50 out of 102 offices, representing 75% of FCC's total square footage. FCC has 97 offices as of March 31, 2019. However, due to moves and closures throughout the year, FCC accounted for emissions from 102 offices.

## 2018-19 FCC emissions by scope

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

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



Scope		Emissions (t CO <sub>2</sub> e)
Scope 1	Direct GHG emissions from sources that are owned and/or controlled by FCC (for example, on-site fuel combustion)	1,560
Scope 2	Emissions created from the consumption of purchased electricity that occurs off-site, but is still attributable to FCC's activities	3,825
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
Total		7,584

## FCC paper use

(GRI 301-1)

FCC paper use for full-time employee (FTE)	2016-17	2017-18	2018-19
Total paper use in tonnes (t)	152.7	264.7	169.7
Number of FTEs	1,810	1,872	1,948
Total paper use by weight in kilograms (kg) by FTE	84.5	140.7	87.1
Average post-consumer recycled content of paper (%)	19.9	11.5	10.6

## FCC energy use

(GRI 302-1)

FCC saw a 4% increase in gigajoules (GJ) of energy per square foot, likely due to the colder winter experienced across Canada, and notably in Saskatchewan where our offices account for over one-third of our total

office square footage. The number of GJs per full-time employee increased slightly from 33.5 GJ/FTE to 34.4 GJ/FTE.

	2016-17	2017-18	2018-19
Total energy use in gigajoules (GJ)	64,082	62,862	66,969
FCC energy use per full-time employee (FTE):			
Total direct energy use in GJ: share from renewable sources (%) <sup>28</sup>	28,704; 0% <sup>29</sup>	30,111; 0% <sup>29</sup>	33,415; 0% <sup>29</sup>
Total indirect energy use in GJ: share from renewable sources (%) <sup>28</sup>	35,378; 34.9% <sup>29</sup>	32,751; 38.2% <sup>29</sup>	33,554; 37.0% <sup>29</sup>
Number of FTEs	1,810	1,872	1,948
GJ of energy per FTE (GJ/FTE)	35.4	33.5	34.4
FCC energy use per office square footage (ft <sup>2</sup> ):			
Total office square footage (ft <sup>2</sup> )	674,894	692,339	704,300
GJ of energy per square foot (GJ/ft <sup>2</sup> )	0.095	0.091	0.095
Heating degree days, Canada <sup>30</sup>	4,704	3,699	3,811

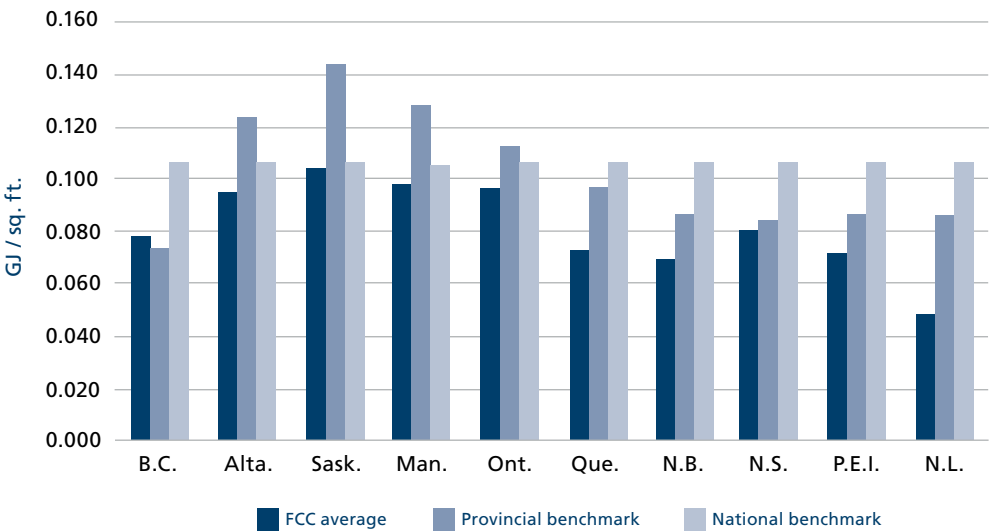
<sup>28</sup> Renewable energy refers to hydro, solar, wind and tidal sources.

<sup>29</sup> Source: Canada's Greenhouse Gas Inventory, "National Inventory Report: Greenhouse Gas Sources and Sinks in Canada 1990-2016." Greenhouse Gas Division, Environment Canada, April 2018. Available online at <https://www.canada.ca/en/environment-climate-change/services/climate-change/greenhouse-gas-emissions/inventory.html>.

<sup>30</sup> Source: Canadian Gas Association. <http://www.cga.ca/gas-stats/>

## FCC office building energy intensity by province, 2018-19

(GRI 302-1)



\*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 British Columbia. This result is likely due to the high energy efficiency standard in British Columbia.

In 2018-19, there were 3,811 heating degree days (HDDs) compared to 3,699, a 3% increase from last year. This increase in HDDs, which equates to a colder winter this year than last combined with a 1.7% increase in square footage, is the primary reason FCC's overall GHG increased. There was a greater need to heat our 97 offices around the country, requiring more scope 1 and 2 energy sources, than there was in 2017-18.

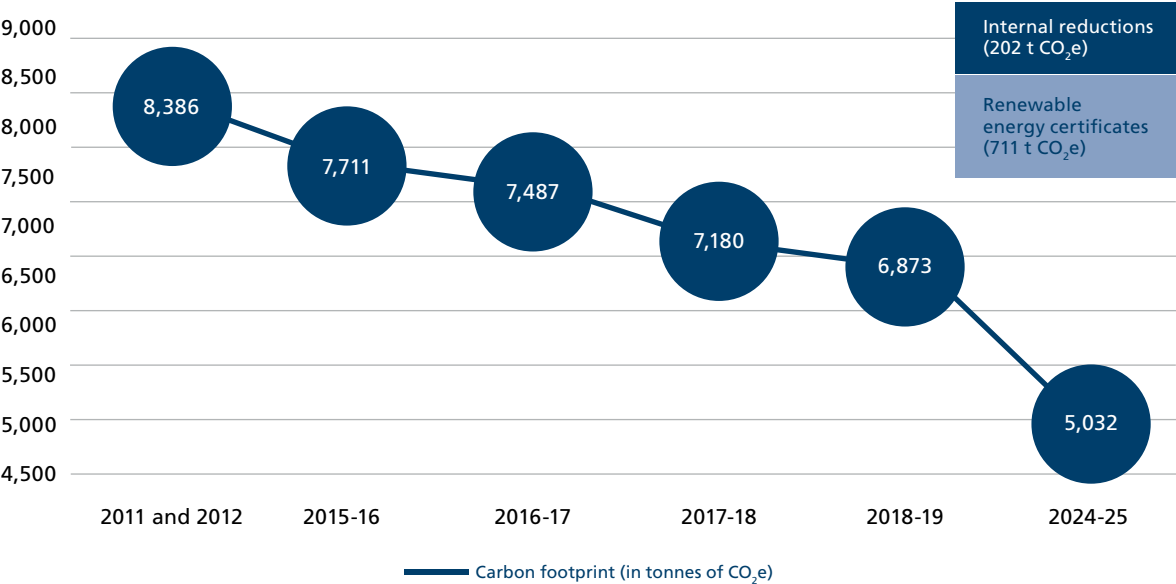
HDD reflects the demand for energy needed to heat an office. It's derived from measuring the average outside air temperature and is compared to the minimum office temperature outlined in the Workplace Hazardous Materials Information System (WHMIS), which is 18° Celsius (C). HDDs are calculated by taking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

## Meeting our target

To date, FCC has reduced our carbon footprint by 10% based on 2012 levels. Our progress to date is based on significant effort toward upgrading the energy efficiency of our facilities and encouraging behaviour changes around travel and paper use. We believe in making steady and sustainable progress toward meeting our goal.

To meet our target of a 40% GHG emission reduction by 2025, based on 2012 levels, we must continuously reduce our carbon footprint by 307 tonnes of CO<sub>2</sub>e

per year. This year, we increased our footprint by 202 tonnes of CO<sub>2</sub>e due mostly to the colder winter experienced across Canada. To reach our target of 307 tonnes of CO<sub>2</sub>e, we've purchased renewable energy certificates from Bullfrog Power to the equivalent of 711 tonnes of CO<sub>2</sub>e. These efforts help us reach our target and effectively support the production of clean energy into Canada's energy grid.



# About this report

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## Our report scope and boundary

(GRI 102-49, 102-50, 102-51, 102-52, 102-56)

FCC's annual CSR report provides our stakeholders with an overview of our economic, social and environmental performance.

The 2018-19 report measures our CSR performance for the fiscal year (April 1, 2018, to March 31, 2019) in our five focus areas. Our previous report was published in November 2018. All reports are available online at [fcc.ca](http://fcc.ca).

This report doesn't 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 2017-18:

- 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 was prepared using the Global Reporting Initiative (GRI) Sustainability Reporting Standards. 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](http://globalreporting.org).

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 disclosures we report on, is on [pages 72-78](#). The report was submitted for the GRI Materiality Disclosures Service and GRI confirmed the correctness of the locations of the GRI Standards materiality disclosures (GRI 102-40 – 102-49). Our CSR team is responsible for planning, executing and reporting, with input from CSR working group members across the corporation, including Corporate Communication, Facilities and Administration, Finance, Human Resources, Information Technology, Legal, Marketing, Operations and Research.



# GRI Content Index

(GRI 102-55, 102-56)

This report has been prepared in accordance with the GRI Standards: Core option.

For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 and 102-49 align with appropriate sections in the body of the report.



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<b>General Disclosures</b>		
<b>GRI 102: General Disclosures 2016</b>	<b>Organizational Profile</b>	
	102-1 Name of the organization	Page 5
	102-2 Primary brands, products and/or services	Pages 79-81 in this report; 42-46 in the FCC 2018-19 Annual Report at <a href="http://fcc.ca/AnnualReport">fcc.ca/AnnualReport</a>
	102-3 Location of organization's headquarters	Pages 5, 23
	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 5
	102-5 Nature of ownership and legal form	Page 5
	102-6 Markets served, including geographic breakdown, sectors served and types of customers/beneficiaries	Page 5 in this report, 47-48 in the FCC 2018-19 Annual Report at <a href="http://fcc.ca/AnnualReport">fcc.ca/AnnualReport</a>
	102-7 Scale of the reporting organization	Page 24 in this report, 47-48 in the FCC 2018-19 Annual Report at <a href="http://fcc.ca/AnnualReport">fcc.ca/AnnualReport</a>
	102-8 Workforce breakdown	Pages 55-56

(GRI 102-55)

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<b>General Disclosures</b>		
<b>GRI 102: General Disclosures 2016</b>	<b>Organizational Profile</b>	
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	102-10 Significant changes during the reporting period to locations of operations and supply chain	Pages 25-26
	102-11 Precautionary principle	Page 22
	102-12 Externally developed economic, environmental and social charters and/or principles	Page 21
	102-13 Memberships of associations	Page 23 and the appendix in this report
	<b>Strategy</b>	
	102-14 Statement from the most senior decision-maker of the organization	Pages 2-4
	<b>Ethics and Integrity</b>	
	102-16 FCC's values, principles, standards, code of conduct and ethics	Pages 6-7 and 13
	<b>Governance</b>	
	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	Page 12 in this report, 12-15 in the FCC 2018-19 Annual Report at <a href="http://fcc.ca/AnnualReport">fcc.ca/AnnualReport</a>
	<b>Stakeholder Engagement</b>	
	102-40 List of stakeholder groups engaged by FCC	Page 13
	102-41 Employees covered under collective bargaining agreements	Page 58
	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 14-16, 31 and 42
	102-44 Report key topics and concerns that have been raised by stakeholder engagement and how FCC responded to those concerns	Page 17

(GRI 102-55)

General Standard Disclosures (CONTINUED)		
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<b>GRI 101: Foundation 2016</b>		
<b>General Disclosures</b>		
<b>GRI 102: General Disclosures 2016</b>	<b>Identified Material Topics and Boundaries</b>	
	102-45 All entities included in FCC's consolidated financial statements	Pages 42-46 in the FCC 2018-19 Annual Report at <a href="http://fcc.ca/AnnualReport">fcc.ca/AnnualReport</a>
	102-46 Process for defining report content	Page 13 stakeholder engagement; page 18 materiality
	102-47 Material aspects/topics and boundaries	Pages 20-21
	102-48 Restatements from previous reports	Pages 24, 63
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(GRI 102-55)

Material Topics			
GRI Standard	Disclosure	Page number and explanatory notes	Omissions
<b>GRI 200: Economic Standard Series</b>			
<b>Community Investments</b>			
<b>GRI 103: Management Approach 2016</b>	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 20 Pages 37-38 Pages 39-41	XX
<b>GRI 201: Economic Performance 2016</b>	201-1 Direct economic value generated and distributed	Page 24 revenue generated and distributed; and pages 38 and 40 community investments	XX
<b>Anti-corruption</b>			
<b>GRI 103: Management Approach 2016</b>	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 20 Page 45 Page 45	XX
<b>GRI 205: Anti-corruption 2016</b>	205-1 Operations assessed for risks related to corruption	Page 45	XX
<b>GRI 300: Environmental Series</b>			
<b>Materials</b>			
<b>GRI 103: Management Approach 2016</b>	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 21 Pages 60-62 Pages 63-65	XX
<b>GRI 301: Materials 2016</b>	301-1 Materials used by weight or volume	Pages 63, 68	Renewable resources are only material to FCC
<b>Energy</b>			
<b>GRI 103: Management Approach 2016</b>	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 21 Pages 60-62 Pages 63-65	XX
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	Pages 68, 69	XX

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Material Topics (CONTINUED)			
GRI Standard	Disclosure	Page number and explanatory notes	Omissions
<b>Emissions</b>			
<b>GRI 103: Management Approach 2016</b>	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 21 Pages 60-62 Pages 63-65	XX
<b>GRI 305: Emissions 2016</b>	305-1 Direct greenhouse gas (GHG) emissions (scope 1)	Pages 63, 66, 67	XX
	305-2 Energy indirect greenhouse gas (GHG) emissions (scope 2)	Pages 63, 66, 67	XX
	305-3 Other indirect greenhouse gas (GHG) emissions (scope 3)	Pages 63, 66, 67	XX
<b>GRI 400: Social Series</b>			
<b>Employment</b>			
<b>GRI 103: Management Approach 2016</b>	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 20 Page 48 Pages 52, 54	XX
<b>GRI 401: Employment 2016</b>	401-1 Total number and rates of new employee hires and employee turnover by age group, gender and region	Page 57-58	XX
<b>Training and education</b>			
<b>GRI 103: Management Approach 2016</b>	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 20 Page 49 Pages 52-54	XX
<b>GRI 404: Training and Education 2016</b>	404-1 Average hours of training per year per employee, by gender and by employee category	Page 58	XX
<b>Diversity and equal opportunity</b>			
<b>GRI 103: Management Approach 2016</b>	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 20 Page 50 Pages 53-54	XX
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Composition of governance bodies and breakdown of employees per category and by significant location of operations	Page 58	XX

(GRI 102-55)

Material Topics (CONTINUED)			
GRI Standard	Disclosure	Page number and explanatory notes	Omissions
<b>Customer privacy</b>			
<b>GRI 103: Management Approach 2016</b>	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 20 Pages 43-44 Page 47	XX
<b>GRI 418: Customer Privacy 2016</b>	418-1 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	Page 43	XX

Non-GRI Material Topics			
GRI Standard	Disclosure	Page number and explanatory notes	Omissions
<b>Customer relationships</b>			
<b>GRI 103: Management Approach 2016</b>	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 20 Page 42 Page 47	XX
<b>Farm animal welfare</b>			
<b>GRI 103: Management Approach 2016</b>	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 20 Page 27 Page 27	XX
<b>Employee health and well-being</b>			
<b>GRI 103: Management Approach 2016</b>	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 20 Page 51 Pages 52-54	XX
<b>Financial access and inclusion</b>			
<b>GRI 103: Management Approach 2016</b>	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 20 Page 30 Page 30	XX
<b>Financial literacy</b>			
<b>GRI 103: Management Approach 2016</b>	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 20 Page 31 Page 31	XX

(GRI 102-55)

Non-GRI Material Topics (CONTINUED)			
GRI Standard	Disclosure	Page number and explanatory notes	Omissions
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 21 Page 28 Pages 34-35	XX
Innovative technology			
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 21 Page 46 Page 46	XX
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 21 Page 25 Page 25	XX
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 21 Page 29 Pages 32-36	XX
Sustainable production of crops			
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 21 Page 62 Pages 64-65	XX

# 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.

## Agriculture and food

- 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 the agriculture sector access the financial capital and knowledge they need to start and grow their businesses.
- We give a boost to students by helping improve agriculture student lounges, which provide an area for students to connect at agriculture colleges and universities across Canada.
- We're a national and provincial sponsor of 4-H Canada and we provide local funding through the [FCC 4-H Club Fund](#).
- Our [Women Entrepreneur Program](#) supports women entrepreneurs involved in the agriculture and agri-food sector by providing the capital they need to grow their business, along with the meaningful skill development opportunities they're seeking.
- We advance [mental health issues](#) through knowledge and partnerships designed to support Canadians involved in farming and rural Canada.
- Our valuable agricultural news and information is offered free of charge and includes [AgriSuccess](#), [Farmland Values Report](#), [FCC Ag Economics Reports](#) and [FCC Express](#).
- FCC offers [free learning events](#) for anyone involved in Canadian agriculture, including FCC Ag Knowledge Exchange, FCC Showcase, Ignite: FCC Young Farmer Summit, agriwebinars and FCC AgExpert events.
- [FCC AgExpert](#) is Canada's leading farm management software for producers and gives our customers easy-to-use tools to plan, manage and grow their businesses.
- We work 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 producers keep safety top of mind by presenting Canadian Agricultural Safety Week in partnership with the Canadian Agricultural Safety Association, the Canadian Federation of Agriculture, and Agriculture and Agri-Food Canada.
- In partnership with the Canadian Agricultural Safety Association and the Rick Hansen Foundation, 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.
- We support agriculture education by working in partnership with [Agriculture in the Classroom](#) Canada to fund EngAGE!, a new series of learning events designed to engage high school students in careers in agriculture.
- Since 2006, we've hosted Canada's largest agriculture research panel through [FCC Vision](#). The panel has approximately 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.



## Community

- 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.
- We invest a total of \$50,000 to promote official languages across Canada and help residents express the cultural and linguistic diversity of their areas.
- Our employee volunteer program includes employee volunteer monthly draws, community team volunteer projects and an employee matching donation program.
- Our FCC United Way campaign supports positive change in the communities where our employees live and work.

## Customers

- We serve our customers through our 97 offices, located primarily in rural Canada.
- 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.
- We partner 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.
- Our customer support programs are a regular part of our business and we encourage customers to contact us if they need assistance.
- The FCC AgCrisis Fund allows employees to request support for individual customers facing difficult times, such as a serious illness, fire or farm accident.

## Employees

- 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. New employees also have the opportunity to read about the culture and get information from their managers before they enter the program. The Culture Plus program has been launched to all employees with a focus on strengthening and deepening our culture.
- We support the development of our leaders with the Leadership Transformation Program. This program is mandatory for 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 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 possible employment at FCC upon graduation. Within the program, there is a focus on hiring students from diverse backgrounds.
- The [Aboriginal Student Empowerment Fund](#) helps Aboriginal post-secondary students in Regina and Moose Jaw achieve their educational goals while creating awareness about FCC as a potential employer. FCC provides \$50,000 to assist with expenses such as bus passes, child care and damage deposits, so that students will be able to spend more time focused on school and less time worrying about financial stress.
- Our employee-led Indigenous Affinity Group helps us strengthen our shared understanding of diversity in our workplace and community. The group creates a safe, supportive and inclusive sense of community for members. Members of the group also represent FCC at events in the 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.

- 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 (COR) and the 4to40 initiative to help find them customized employment opportunities. COR has worked closely with FCC to match the abilities and interests of the student with meaningful, customized work at FCC.
- 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.
- 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 training programs help employees efficiently gain the skills and knowledge they require to be successful in their positions.
- 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.

## Environment

- 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 we provide underground 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 also has accountabilities under the Canadian Environmental Assessment Act, 2012 (CEAA 2012).
- Our internal print shop is certified by the Forest Stewardship Council®, 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 we welcome the opportunity to try new environmentally sustainable paper when it's available. FSC® C014114

# Appendix

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## 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 a number of other organizations to advance our business practices, including CSR.

### Our major partners include the following:

Ag Health and Safety Alliance	Dairy Farmers of Ontario
Agricultural Alliance of New Brunswick	Dairy Farmers of P.E.I.
Agriculture in the Classroom	Do More Agriculture Foundation
Agriculture Manufacturers of Canada	Egg Farmers of Canada
Agriculture Producers Association of Saskatchewan	Farm and Food Care
Alberta Federation of Agriculture	Farm Management Canada
Alberta Milk	Fédération de la relève agricole du Québec
Association québécoise des industries de nutrition animale et céréalière	Food and Beverage Canada
Atlantic Grains Council	Food Banks Canada
Atlantic Outstanding Young Farmers	Food Processors of Canada
B.C. Agricultural Council	4-H Canada
B.C. Greenhouse Growers' Association	Grain Growers of Canada
B.C. Outstanding Young Farmers	International Association for Human Resources Information Management
Canadian Agriculture Human Resource Council	Institute of Performance and Learning
Canadian Agri-Food Policy Institute	Keystone Agriculture Producers Inc.
Canadian Agricultural Safety Association	Manitoba Outstanding Young Farmers
Canadian Association of Agri-Retailers	National Farm Animal Care Council
Canadian Association of Farm Advisors	Newfoundland and Labrador Federation of Agriculture
Canadian Cattlemen's Association	Nova Scotia Federation of Agriculture
Canadian Centre for Diversity and Inclusion	Ontario Federation of Agriculture
Canadian Centre for Food Integrity	Ontario Outstanding Young Farmers
Canadian Federation of Agriculture	Prince Edward Island Federation of Agriculture
Canadian Horticultural Council	Pulse Canada
Canadian Poultry and Egg Processors Council	Saskatchewan Diversity and Inclusion Network
Canadian Produce Marketing Association	Saskatchewan Outstanding Young Farmers
Canadian Roundtable for Sustainable Beef	The elearning Guild
Canadian Roundtable for Sustainable Crops	The United Way
Canadian Young Farmers Forum	L'Union des producteurs agricoles
Chartered Professionals in Human Resources (CPHR) Saskatchewan	United Potato Growers of Canada
Chicken Farmers of Canada	Western Canadian Wheat Growers Association
Conference Board of Canada	Western Equipment Dealers Association
Conseil de la transformation alimentaire du Québec	World at Work
Dairy Farmers of Canada	
Dairy Farmers of Manitoba	

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CORPORATE CITIZENS

We post our CSR report online at [fcc.ca](http://fcc.ca) to help reduce our impact on the environment. Our current and past CSR reports are available in English and French.

To provide feedback about this report or FCC's CSR efforts, email us at [csr@fcc.ca](mailto:csr@fcc.ca).

