BC egg MARKETING BOARD

Meeting of the Board of Directors

104 – 31324 Peardonville Road, Abbotsford, BC, V2T 6K8

Strategic: Identify key opportunities and systemic challenges and plan for actions to effectively manage risks and take advantage of future opportunities.

Accountable: Maintain legitimacy and integrity through understanding and discharging responsibilities and reporting performance.

Fair: Ensure procedural fairness in processes and decision-making.

Effective: A clearly defined outcome with appropriate processes and measures.

Transparent: Ensure that processes, practices, procedures & reporting on exercise of mandate are open, accessible and fully informed.

Inclusive: Ensure that appropriate interests, including the public interest, are considered.

MINUTES
of
Board of Directors Meeting

Date: May 29, 2026

Location: Zinfandel - Penticton Lakeside Resort, Penticton

BOARD IN ATTENDANCE:
Al Sakalauskas, Chair
Walter Siemens, Vice-Chair
Jon Krahn, Board Member
Derek Janzen, Board Member
James Penner, Board Member

STAFF IN ATTENDANCE:
Katie Lowe, Executive Director
Alexis Stollings, Executive Assistant
Joey Aebig, Manager, Operations and Production
Erin Duetta, Manager, Finance and Administration
Nathalie Darwin, Manager, Marketing and Communications

CALL TO ORDER
The Chair, Al Sakalauskas, called the meeting to order at 11:28am.

CONFLICT OF INTEREST
The Board discussed any perceived conflicts of interest with the agenda items.

ADOPTION OF AGENDA
It was MOVED by James Penner and SECONDED that the agenda be adopted as presented.

1.0 2026 Inventory Planning
Despite participating in national early fowl removal initiatives, BC's projected 2026 inventory is expecting to remain elevated. The Board reviewed several strategies to help mitigate the anticipated over production.

R26-069 It was MOVED by Jon Krahn and SECONDED

WHEREAS BC Egg's projected 2026 utilization remains above desired national utilization thresholds despite significant reductions achieved through existing inventory management measures;

WHEREAS the Board of Directors wishes to encourage voluntary extended downtime and support additional temporary inventory reduction measures during periods of projected market surplus;

WHEREAS the current Quota Credit calculation framework permits producers to earn Quota Credits under Formula 1 for only the first 28 days following fowl removal;

WHEREAS extending eligibility for Formula 1 Quota Credit treatment may improve producer participation in voluntary flock removals and extended downtime initiatives;

WHEREAS temporary extension of Formula 1 Quota Credit treatment may better align BC Egg's provincial quota credit framework with national surplus management initiatives, including programs administered by the Egg Farmers of Canada;

WHEREAS the Board of Directors considers it appropriate to implement temporary measures intended to support orderly inventory management and maintain operational flexibility for producers;

THAT the Board of Directors temporarily amend the Quota Credit calculation framework to permit producers to continue earning Quota Credits under Formula 1 for a maximum of 13 weeks following fowl removal for qualifying fowl removals occurring between Week 27, 2026 to Week 8, 2027.

CARRIED

R26-070 It was MOVED by Walter Siemens and SECONDED

WHEREAS BC Egg's projected 2026 inventory levels remain above desired national utilization thresholds despite significant reductions achieved through existing inventory management measures;

WHEREAS the Board of Directors wishes to support additional market aligned inventory reduction measures while maintaining operational flexibility for Registered Producers;

WHEREAS certain producers may wish to temporarily reduce or pause production due to market conditions, facility circumstances, or operational considerations;

WHEREAS permitting temporary producer-to-producer quota leasing may facilitate voluntary redistribution of production within the industry while reducing the risk of unnecessary inventory pressure;

WHEREAS the Board of Directors considers it appropriate, on a temporary basis, to waive the obligation to maintain authorized layer numbers for producers participating as lessors in approved temporary lease arrangements;

WHEREAS all lease arrangements would remain subject to the requirements of the Consolidated Order and approval of the Board of Directors;

THAT the Board of Directors temporarily permit expanded producer-to-producer quota leasing under the following conditions:

1. Registered Producers may lease Layer Quota to other Registered Producers for a period of up to 60 weeks;
2. For the duration of an approved lease, the lessor shall be exempt from the requirement under Part IX of the Consolidated Order to maintain authorized layer numbers for the quota units subject to the lease;
3. All leases must comply with the requirements of Part VII of the Consolidated Order and remain subject to Board approval;
4. The lessee must maintain sufficient capacity and market alignment to utilize the leased quota;
5. The lease must coincide with a demonstrated equivalent reduction in production i.e. empty barn, cancelled CPP, fowl removal; and
6. All approved leases must expire prior to Week 9, 2028.

CARRIED

R26-071 It was MOVED by Derek Janzen and SECONDED

WHEREAS Highly Pathogenic Avian Influenza events may significantly disrupt flock placement schedules and production continuity for affected producers;

WHEREAS producers impacted by Avian Influenza may face operational challenges associated with repopulation timing, pullet availability, and sourcing replacement flocks;

WHEREAS allowing temporary quota leasing flexibility for Avian Influenza impacted producers may reduce provincial inventory pressure while providing affected producers with additional operational flexibility during recovery periods;

WHEREAS this temporary measure may reduce the incentive for producers to source extended lay hens from outside the province and may support provincial inventory alignment objectives in 2027;

WHEREAS the Board of Directors considers it appropriate to provide temporary flexibility measures for producers impacted by extraordinary disease-related events while maintaining compliance with the Consolidated Order;

THAT the Board of Directors permit Registered Producers impacted by Avian Influenza occurring prior to March 2027, who have completed their primary decontamination inspection to temporarily lease quota, subject to Board approval and the requirements of Part VII of the Consolidated Order, until the producer's next confirmed 19-week flock placement date but no longer than 60 weeks beyond primary decontamination.

CARRIED

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2.0 Emergency Measure Review

The Directors reviewed the May 28, 2026 EFC memo regarding managing current supply and the national requirement to remove emergency measure hens.

R26-072 It was MOVED by Derek Janzen and SECONDED

THAT the Board of Directors require all 90 square inch birds or the hen week equivalent to be removed prior to July 12, 2026. Failure to do so will result in the Producer no longer being in good standing until September 5, 2027.

CARRIED

3.0 ADJOURNMENT

It was MOVED by Jon Krahn and SECONDED that the meeting be adjourned at 12:05 pm.

Board Chair

Certified Correct, Secretary