



MEDIA RELEASE
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OLYME ANNOUNCES THE DEFINITIVE CLOSURE OF ITS ST-HYACINTHE PLANT

St-Hyacinthe, November 17, 2022 — Olymel’s management regrets to announce the closure of its pork processing plant located on St-Jacques street in St-Hyacinthe. The 107 employees still actively working in this facility’s melting, storage and packaging operations have been notified about this decision and have received a 12-week notice of termination, in accordance with the provisions of Quebec’s *Act respecting labour standards*. The plant will continue to operate until February 10, 2023, which is the scheduled date for the facility’s definitive closure. All employees will be offered the opportunity to be relocated to other Olymel facilities in the region. Back on July 8, Olymel had announced a reduction in the plant’s packaging operations.

This announcement follows a reorganizing of Olymel’s workforce in the fresh pork sector, as well as a reduction in the volume of products requiring packaging. The primary processing facilities (slaughtering and cutting) are now able to cover the packaging operations previously handled in part by the St-Hyacinthe plant. The products previously stored at the St-Jacques street plant will be transferred to other internal or external distribution centres. In addition, given the scale of the investments required to maintain the melting operations for lard production, Olymel’s management team has decided to end this activity; in the future, the raw materials used to make lard will be sold to an external company.

“This decision ties in with the restructuring of the fresh pork sector and stems from a months-long analysis that concluded today. Closing the St-Hyacinthe plant is part of the difficult, albeit necessary and responsible, measures to ensure that the fresh pork sector gets back on the road to profitability after two years of difficulties caused by the impacts of the Covid-19 pandemic, the labour shortage, market uncertainties and various other factors underlying the unfavourable economic situation. I would like to salute and thank the 107 employees affected by this decision. I assure them that everything will be done so they can be relocated and continue working for the company under the best possible conditions,” said Yanick Gervais, president and CEO of Olymel.

EMPLOYEE RELOCATION

All employees affected by this closure will be given the opportunity to be voluntarily relocated to one of four Olymel facilities: the St-Damase and St-Rosalie plants, both located within the municipality of St-Hyacinthe and specializing in fresh poultry and further-processed poultry products, respectively; the Unidindon plant, located in St-Jean-Baptiste-de-Rouville and specializing in turkey products; and the further-processing plant in Saint-Jean-sur-Richelieu. Employees who opt to take part in the relocation plan will have their years of service recognized for remuneration and benefits purposes wherever collective agreements contain provisions to that effect, in particular in the abovementioned

four facilities. Employees who wish to work in one of Olymel's other facilities in other regions of Quebec may also use the relocation plan to do so and may obtain conditions equivalent to those from which they currently benefit. A reclassification committee is also expected to be set up to support employees seeking alternative employment.

DISPOSAL OF THE PLANT FACILITIES

The buildings and land comprising the St-Jacques street plant take up a significant area in the heart of the municipality of St-Hyacinthe. Given that today's announced closure is definitive, Olymel's management will be carefully weighing all available options as it decides how the plant facilities will be disposed of.

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