



ANNUAL REPORT

2025



TABLE OF CONTENTS

BC TURKEY MARKETING BOARD3
BOARD MEMBERS.....3
STAFF & INDUSTRY SUPPORT3
CHAIR’S STATEMENT4
EXECUTIVE DIRECTOR’S REPORT.....5
BC MARKETING ACTIVITIES7
TFC REPORT.....9
STRATEGIC PLAN: 2024-2027 11
BCTMB FINANCIAL STATEMENTS 12
BC TURKEY ASSOCIATION 26
BCTA PRESIDENT’S REPORT 27
BCTA FINANCIAL STATEMENTS 28

BC TURKEY MARKETING BOARD

BOARD MEMBERS



WES SHOEMAKER

Chair



RANDY REDEKOP

Board Member



JAMES KRAHN

Board Member & Vice Chair



DEBBIE ETSSELL

Board Member & TFC Director



Left to Right - James Krahn, Debbie Etsell, Randy Redekop, Wes Shoemaker

STAFF & INDUSTRY SUPPORT

NATALIE VELES

Executive Director

KOURTNEY KRAUSE

On-Farm Program Coordinator

NANCY SAMPSON

Office Manager

CASEY CARSWELL

Audit & Production Coordinator

CHAIR'S STATEMENT

Dear Colleagues,

In May of 2025, I was fortunate to be appointed by Minister Lana Popham to serve as Chair of the BC Turkey Marketing Board (BCTMB).

The past year has presented significant challenges for BC turkey growers. Despite the difficult circumstances brought about by highly pathogenic avian influenza (HPAI), flooding, and other sector-related obstacles, our growers have continued to demonstrate remarkable resilience. Throughout 2025, we engaged with the other poultry boards and government partners in the Emergency Operations Centre and the Avian Influenza Prevention Partnership table to respond to emergency events and identify ways we can better support the industry moving forward.



To help our industry grow, the BCTMB carried out several new marketing activities in 2025. We developed a farmer video series that showcased three BC turkey farmers and their operations, helping consumers connect the products in the grocery store with people and places in their communities. We also helped promote turkey products at the retail level and increased our digital

marketing efforts. BCTMB has contracted a new marketing agency for 2026 to help build on this work and continue encouraging consumption of turkey products to British Columbians.

While challenges remain, the outlook for the turkey sector is positive as we move into 2026. There is increasing consumer demand for affordable, healthy protein sources, particularly in products that are further processed. This trend offers promising opportunities for our industry moving forward.

In 2026, the BCTMB will be conducting a Cost of Production study. This initiative will update the current production costs and inform the live price model, which will be used in setting price per kilogram for turkey producers.

On the national stage, the BCTMB continues to be an active member of Turkey Farmers of Canada. Our involvement includes negotiating BC's provincial allocation and collaborating with other sector stakeholders to develop a future agenda for the industry.

Looking ahead, the BCTMB will continue to prioritize maintaining sufficient processing capacity for BC turkey products and providing ongoing support to our growers throughout the coming year.

Sincerely,

A handwritten signature in blue ink that reads "W. Shoemaker". The signature is fluid and cursive, with a long horizontal stroke at the end.

Wes Shoemaker
Chair, BC Turkey Marketing Board

EXECUTIVE DIRECTOR'S REPORT

I am pleased to submit my report for 2025. We made great progress this year on some important regulatory initiatives and supported the industry through key production challenges. We also increased marketing efforts on behalf of the industry, the details of which are captured later in the Annual Report.

REGULATIONS AND POLICY

In April, the Board finalized its new General Orders. This publication was the result of a year-long review and consultation process that involved many industry stakeholders. The new General Orders have been well-received and provide some much-needed clarity on issues found in the previous version.

Another priority of the Board in 2025 was to review BC's Export Policy and the Live Price Model:

- The Export Policy review was requested by the processors and is focusing on the addition of a lease payment from growers for the use of export credits.
- The Live Price Model review is looking at the inputs to our pricing model and assessing whether they need to be updated. The results of this review will complement the Cost of Production study that the Board will be starting in 2026.

The Board struck an Advisory Committee in September to tackle both topics. Committee members have been very generous with their time and expertise; they remain focused on developing recommendations for the Board that benefit the industry as a whole.

Both the Export Policy and Live Price Model reviews are expected to be complete in early 2026.

APPEALS

I am pleased to report that there were no appeals of BCTMB decisions filed with BC Farm Industry Review Board (FIRB) in 2025.

PRODUCTION AND PRICING

We started off 2025 with some production planning challenges for the 2025/2026 quota year. High storage stock levels and softening demand resulted in processors across Canada planning for lower production levels than the allocation approved by TFC.

Given the challenging market situation, the Board decided to make a temporary, six-month decrease to BC's live price differential over Ontario. A reduction of six cents (\$0.06) for toms and four cents (\$0.04) for broilers and hens was gradually applied starting on March 31, 2025. This price adjustment allowed BC growers to plan programs which included their full allocation for 2025/2026.



DISEASE

Disease pressures for the industry continued this year. Four turkey farms in BC experienced *Mycoplasma gallisepticum* (MG) which we have not seen in several years. We also had eight cases of Histomoniasis (blackhead) on farms. Mortality in the blackhead flocks ranged from 8% to 71%.

On a positive note, we saw a dramatic reduction in the number of Highly Pathogenic Avian Influenza (HPAI) cases this year, across the poultry sector and also within the turkey industry. A total of four turkey farms were infected resulting in 84,000 turkeys

culled. This is compared to 14 infected farms and over 300,000 culled in 2024.

Our office continued to work with the other poultry boards this year to support the poultry sector through the fall HPAI wave. With the onboarding of Apogee Consulting as the new Director for the Emergency Operations Centre (EOC), and a further refinement of the EOC structure and governance committee, we saw notable improvements in our ability to respond to the outbreak.



TFC ON-FARM PROGRAMS

Our office continued auditing growers' implementation of the TFC On-Farm Food Safety and Flock Care programs in 2025. We have transitioned to completing most on-farm audits

between May and September each year as this is typically when the industry is in "yellow" biosecurity and the threat of HPAI is lower.

STAFFING

We had a stable complement of staff and contractors in place this year, with Nancy Sampson in administration and Casey Carswell in production and auditing. Kourtney Krause continued to provide auditing services for the Board as well.

The Board Members and staff covered additional responsibilities while I was on maternity leave from April to September. I am grateful to them for their extra efforts during this time and for the support I received as I transitioned back to work during the fall.

Working in the turkey industry has been a pleasure again this year. Thank you to the Board and staff team, growers, processors and industry stakeholders for continuing to work with us on the challenges and opportunities that come our way.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "N. Veles".

Natalie Veles
Executive Director, BC Turkey Marketing Board

BC MARKETING ACTIVITIES

In 2025, the Board was able to increase its marketing activities by leveraging Market Development Funds (MDF) accessed through Turkey Farmers of Canada (TFC). MDF is administered by the federal government to help supply-managed sectors respond to increased competition from imported products.

Grant Communications was contracted by the Board to carry out marketing activities on behalf of the BC turkey industry in 2025. The goals they were tasked with included:

1. Increasing awareness and brand recognition of BC Turkey;
2. Promoting turkey products as versatile, high-quality option for everyday meals; and,
3. Increasing sales of turkey products in BC.

They executed a multi-pronged marketing strategy in 2025 to help make progress on these goals.

CONSUMER MARKET RESEARCH STUDY

We started out the year by commissioning a Consumer Market Research study from Intensions Consulting. The study used a survey to identify challenges and opportunities for turkey consumption in BC.

FOUR CHALLENGES & OPPORTUNITIES



We learned that the biggest growth opportunity for our industry is to encourage consumers to substitute turkey into meals that typically include a different animal protein. Ground turkey is a great example of this, as it's a highly substitutable product that is easy to find in store and cook.

We also found out that young adults and ethnic populations (such as South Asians) consume more turkey than the average BC resident. This kind of information is important as we look for ways to increase turkey sales in the most effective ways possible.

IN-STORE DEMONSTRATIONS

Several in-store demonstrations were held in 2025 to promote turkey products to British Columbians. The demonstrations were carried out in retail stores in the Okanagan and the Lower Mainland and featured turkey sausage, ground turkey, turkey deli meat and turkey breast. Stores experienced higher sales of turkey products on days that the demonstrations took place.



FESTIVE CAMPAIGNS AND ONLINE MARKETING

Throughout the year, we engaged with social media influencers and chefs to develop recipes that showcase the diverse uses and health benefits of turkey. Our partners created videos and photos that encouraged people to add turkey to their meal rotations.

We continued to grow our social media channels and engage with food influencers and other agricultural commodity organizations throughout the year.

FOOD SERVICE

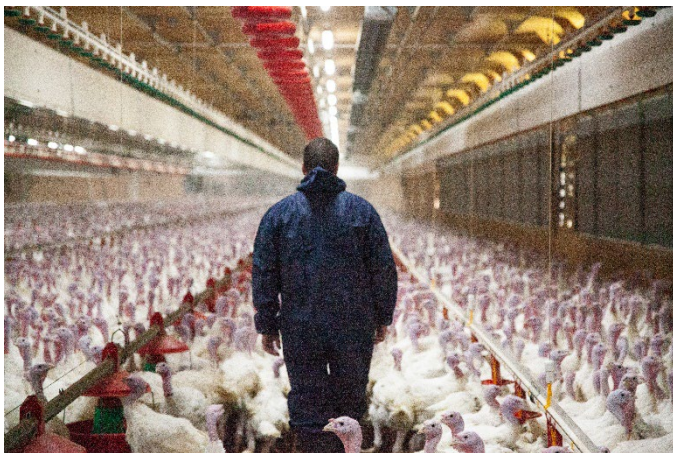
In July and August, we partnered with Bin 4 Burger Lounge, a gourmet burger restaurant with seven locations across BC, to feature some turkey-focused

menu items. The Take it Brie-zy Turkey Burger, Ginger Soy Turkey Lettuce Wraps, and Peach Perfect Turkey Burger were great seasonal items for consumers to enjoy turkey outside the main festive holidays.

The success of this partnership will help us work with other food service establishments in the future, encouraging them to add turkey to their menus and expose consumers to new and delicious ways to try turkey.

FARMER VIDEO SERIES

A big focus for us in 2025 was showcasing turkey farms and farmers. This is especially important as consumers look for more ways to support local businesses. It also aligned well with the provincial “Buy BC” logo and campaign in 2025.



We visited three turkey farms in the summer to capture photos and video of the people and places behind turkey production in BC. The assets are being used to tell our industry’s story to consumers and encourage them to choose local turkey products when shopping for themselves and their families. The farmers we visited were very generous with their time and expertise and represented the industry well.

BC AGRICULTURE IN THE CLASSROOM

The BC Turkey Marketing Board has been donating to BC Agriculture in the Classroom for many years. In 2025, we highlighted that partnership, drawing attention to the great work that teachers are doing in schools to introduce students to cooking with turkey.



BC LIONS GRAVY BOWL

For our second annual sponsorship of the BC Lions Gravy Bowl, we received significant advertising for the Lions’ October 4, 2025 game against the Calgary Stampeders.

We had an activation tent outside BC Place ahead of the game, where we shared information about our industry and encouraged people to try the feature Canadian Turkey sandwich at Tim Hortons. We also had a farmer video playing on the big screen – a great way for people to get a glimpse at turkey farming in BC.

BC Place added feature turkey items to their concession stands again this year for the game. A turkey smokie was new for 2025 and had great uptake from game attendees!

TFC REPORT

In 2025, Turkey Farmers of Canada (TFC) continued its work to support Canadian turkey farmers, while balancing animal health challenges, shifting market conditions, and growing trade uncertainty. The year kicked off with the inaugural Turkey Sector Summit, which brought producers, processors, and sector partners together to build a shared understanding of the state of the sector and identify a collective path forward. Throughout the year, TFC remained focused on protecting and strengthening the systems that supports a stable, supply managed turkey sector.

NATIONAL MARKETING CAMPAIGN

In 2025, the Think Turkey national marketing campaign continued to reinforce turkey's role as a versatile protein choice for everyday meals. TFC is pleased with the results this year, in particular, the *You Turkey* campaign, which was one of the most successful to date and increased consumer awareness and engagement. Overall, the campaign delivered positive momentum for the sector. Further details on campaign performance and outcomes are available in the marketing report.



ANIMAL HEALTH

The Turkey Health Working Group, established in 2024, met three times in 2025, bringing together farmers, veterinarians, and processors to address emerging disease challenges. In 2025, following advocacy by TFC, the Canadian Food Inspection

Agency's Canadian Centre for Veterinary Biologics agreed to accept applications for the emergency importation of live avian metapneumovirus (aMPV) vaccines. Vaccines were imported and administered in the latter half of the year, with TFC continuing to monitor and respond to industry needs.

POLICY

At the Board's direction, TFC advanced work to better understand the role of exports within the Canadian turkey market. In early 2025, TFC issued a request for proposals for an independent analysis of export practices and their impacts on domestic consumption, including processor behaviour, the export of non-breast meat cuts, and opportunities to strengthen domestic sales. Groupe AGÉCO was selected as the independent consultant in late 2025, with project kickoff scheduled for early 2026.

In 2025, among other policy items, TFC assessed the feasibility of adjusting the control period calendar, as initial quota discussions occur before full Christmas-season data is available. To implement this change, a transitional control period is required. Following Supply Policy Committee analysis, the Board approved a one-time, 14-month transitional control period for 2026–2027, shifting the control period from May - April to July - June. This change is intended to improve data availability and forecasting accuracy, with TFC closely monitoring the transition to ensure minimal disruption for producers and processors.

PUBLIC AFFAIRS AND ADVOCACY

Following the federal election and appointment of a new Cabinet, TFC conducted outreach to Ministers, shadow ministers, and senior officials. TFC also met with the new Minister of Agriculture and Agri-Food, The Honourable Heath MacDonald, to discuss avian influenza, trade pressures, and the continued importance of supply management. Earlier in 2025, after several years of advocacy work, Parliament

passed Bill C-202, formerly Bill C-282, reinforcing the protection of supply management in future trade negotiations. The legislation received Royal Assent on June 26, 2025, reflecting broad, cross-party support. TFC and the SM5 publicly thanked Parliamentarians for their leadership and commitment.

TFC also participated in key engagement events throughout the year along with the SM5, including the Federation of Canadian Municipalities Conference and the Downtown Diner on Parliament Hill, helping strengthen relationships with decision-makers and highlight the contributions of Canadian supply managed farmers.

TRADE AND INTERNATIONAL AFFAIRS

Trade uncertainty increased in 2025 following tariff actions by the U.S. While no additional tariffs currently apply to supply managed products, the upcoming 2026 CUSMA review represents a critical moment for Canadian agriculture and reinforces the importance of continued advocacy. Throughout 2025, TFC actively engaged with federal officials and stakeholders and submitted a detailed brief as part of Canada's CUSMA consultation process, advocating for the protection of supply management and existing tariff structures.

Although no agriculture outcomes emerged from the

WTO's Thirteenth Ministerial Conference, discussions in 2025 signalled renewed momentum ahead of the 14th Ministerial Conference in early 2026. TFC, alongside SM5 partners, continued to monitor negotiations and participate in meetings in Geneva to reinforce the importance of supply management in global trade discussions.

LOOKING AHEAD

In 2025, after more than 40 years of service to the Canadian turkey sector, Phil Boyd retired as Executive Director in December. His leadership guided TFC through complex domestic and international challenges, leaving a lasting impact on the Agency, the turkey industry, and all supply managed sectors.

With this, Adam Power was appointed and welcomed as TFC's new Executive Director, bringing experience from across the Canadian poultry sector, including prior service on the TFC Board and leadership roles within the processing industry. His background, and sector-wide perspective position him to guide TFC into its next chapter.

Entering 2026, TFC looks forward to continuing its work with provincial boards to support and advance the turkey sector.

STRATEGIC PLAN: 2024-2027

Developed by the BC Turkey Marketing Board and the BC Turkey Association in 2023, the following is an overview of the strategic plan for 2024, 2025, 2026, and 2027.

Vision

A thriving and successful BC turkey industry

Mission

To enhance the BC turkey industry within supply management through responsible decisions, exemplary leadership, and effective stakeholder relationships

Strategic Priorities



Grow the Market

- Engage with retail, food service, and processors on new and emerging market opportunities
- Gather baseline data on current turkey product offerings and sales in BC
- Work with TFC and processors to identify and capitalize on new export opportunities



Manage Risks

- Provide disease prevention education to growers and enable peer-to-peer learning
- Share information on current and emerging risks in a timely manner
- Develop clear plans to support industry stakeholders in times of crisis
- Identify and pursue tools to manage on-farm risks



Administer Pricing

- Ensure costs of production and a fair margin continue to be incorporated into the live pricing model
- Continue dialogue with processors to identify and pursue mutually beneficial outcomes



Build Strong Relationships

- Work with TFC and other provinces to uphold the national allocation policy
- Promote effective governance practices and sound equitable national policies
- Collaborate with stakeholders to promote, regulate, and serve the industry

Financial Statements of

**BRITISH COLUMBIA
TURKEY MARKETING BOARD**

And Independent Auditor's Report thereon

Year ended December 31, 2025



KPMG LLP
32575 Simon Avenue
Abbotsford, BC V2T 4W6
Canada
Telephone (604) 854 2200
Fax (604) 853 2756

INDEPENDENT AUDITOR'S REPORT

To the Directors of British Columbia Turkey Marketing Board

Opinion

We have audited the financial statements of British Columbia Turkey Marketing (the "Board"), which comprise:

- the statement of financial position as at December 31, 2025
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Board as at December 31, 2025 and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the Board in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, management is responsible for assessing the Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Board or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Board's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Board's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Board to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants

Abbotsford, Canada

February 17, 2026

BRITISH COLUMBIA TURKEY MARKETING BOARD

Statement of Financial Position

December 31, 2025, with comparative information for 2024

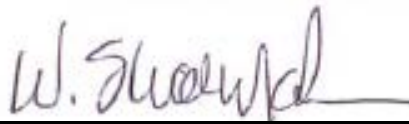
	2025	2024
Assets		
Current assets:		
Cash	\$ 189,834	\$ 308,028
Accounts receivable (note 2)	81,836	110,613
Investments (note 3)	317,195	54,313
Prepaid expenses	6,583	4,502
	<u>595,448</u>	<u>477,456</u>
Restricted investments (note 3)	345,000	345,000
Capital assets (note 4)	12,872	16,140
	<u>\$ 953,320</u>	<u>\$ 838,596</u>

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities (note 5)	\$ 154,140	\$ 118,134
Net assets:		
Investment in capital assets	12,872	16,140
Internally restricted (note 7)	345,000	345,000
Unrestricted	441,308	359,322
	<u>799,180</u>	<u>720,462</u>
Commitments (note 6)		
Contingencies (note 8)		
	<u>\$ 953,320</u>	<u>\$ 838,596</u>

See accompanying notes to financial statements.

Approved on behalf of the Board:



Director



Director

BRITISH COLUMBIA TURKEY MARKETING BOARD

Statement of Earnings

Year ended December 31, 2025, with comparative information for 2024

	2025	2024
Revenue:		
Levies revenue:		
Primary levies collected	\$ 1,062,126	\$ 1,095,249
Turkey Farmers of Canada Marketing Levy - Growers	295,455	304,236
Turkey Farmers of Canada Marketing Levy - Processors	245,522	276,026
Less: Marketing Levy remitted to Turkey Farmers of Canada	(540,977)	(580,262)
	1,062,126	1,095,249
Other revenues:		
Promotions	311,350	216,710
Interprovincial allocation lease revenue	177,053	308,758
License income (note 9)	27,839	23,991
Interest and other income	9,087	19,727
	525,329	569,186
	1,587,455	1,664,435
General and administrative expenses:		
Primary levies remitted to Turkey Farmers of Canada	469,963	437,569
Wages and benefits	303,539	328,134
Promotion expenses	290,095	189,919
Interprovincial allocation lease payments	159,747	280,689
Per diems	94,320	78,285
Rent and property costs (note 9)	45,189	45,251
Office supplies	36,697	42,054
BCTA producers membership dues (note 9)	23,676	24,309
Meetings and conventions	22,970	22,811
Professional fees	22,299	17,650
Farm auditor fees	17,764	26,055
Emergency operations centre expenses	15,603	-
Bank charges	3,607	2,430
Amortization	3,268	3,375
	1,508,737	1,498,531
Excess of revenues over expenses before the undernoted items	78,718	165,904
Other expenses:		
AI expenses (note 8)	-	(137,644)
Excess of revenue over expenses	\$ 78,718	\$ 28,260

See accompanying notes to financial statements.

BRITISH COLUMBIA TURKEY MARKETING BOARD

Statement of Changes in Net Assets

Year ended December 31, 2025, with comparative information for 2024

	Investment in capital assets	Internally restricted (note 7)	Unrestricted	Total 2025	Total 2024
Net assets, beginning of year	\$ 16,140	\$ 345,000	\$ 359,322	\$ 720,462	\$ 692,202
Excess (deficiency) of revenues over expenses	(3,268)	-	81,986	78,718	28,260
Net assets, end of year	\$ 12,872	\$ 345,000	\$ 441,308	\$ 799,180	\$ 720,462

See accompanying notes to financial statements.

BRITISH COLUMBIA TURKEY MARKETING BOARD

Statement of Cash Flows

Year ended December 31, 2025, with comparative information for 2024

	2025	2024
Cash provided by (used in):		
Operations:		
Excess of revenues over expenses	\$ 78,718	\$ 28,260
Items not involving cash:		
Amortization	3,268	3,375
Change in market value of investments	788	(3,495)
	82,774	28,140
Changes in non-cash operating working capital:		
Accounts receivable	28,777	4,347
Prepaid expenses	(2,081)	(253)
Accounts payable and accrued liabilities	36,006	(18,393)
	145,476	13,841
Investing:		
(Increase) decrease in investments	(263,670)	106,481
Purchase of capital assets	-	(6,143)
	(263,670)	100,338
(Decrease) increase in cash	(118,194)	114,179
Cash, beginning of year	308,028	193,849
Cash, end of year	\$ 189,834	\$ 308,028

See accompanying notes to financial statements.

BRITISH COLUMBIA TURKEY MARKETING BOARD

Notes to Financial Statements

Year ended December 31, 2025

Nature of operations:

British Columbia Turkey Marketing Board (the "Entity") is authorized under the Natural Products Marketing Board (BC) Act and functions under the British Columbia Turkey Marketing Scheme. The Board's function includes setting production policy, processing and marketing turkeys within British Columbia. The Board is a non-profit organization under the Income Tax Act (Canada) and, accordingly, is not subject to income taxes.

1. Significant accounting policies:

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies.

(a) Revenue recognition:

The Board follows the deferral method of accounting for contributions which include levies and other revenues.

Unrestricted contributions are recognized as revenue when received or receivable if the amounts can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions are recorded as revenue in the year in which the related expenses are incurred. Contributions restricted for the purchase of capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related asset.

Revenue from other sources such as interest and license income are recognized when earned and collection is reasonably assured.

(b) Capital assets:

Capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life or improve the service potential of an asset are capitalized. The Board reviews the carrying amount of capital assets for impairment whenever events or changes in circumstances indicate that the asset no longer contributes to the Board's ability to provide goods and services, or that the value of the future economic benefits or service potential associated with the asset is less than its carrying amount. If such conditions exist, an impairment loss is measured and recorded in the statement of operations at the amount by which the carrying amount of the net asset exceeds its fair value or replacement cost.

BRITISH COLUMBIA TURKEY MARKETING BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(b) Capital assets (continued):

Amortization is calculated on a declining balance basis at the following rates:

Asset	Rate
Furniture and fixtures	20%
Computer software	50%
Leasehold improvements	30%

(c) Use of estimates:

The preparation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

(d) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Entity has elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Entity determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Entity expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future year, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

BRITISH COLUMBIA TURKEY MARKETING BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2025

2. Accounts receivable:

No allowance for doubtful accounts has been provided for in accounts receivable.

3. Investments:

	Cost	2025 Market	Cost	2024 Market
Investments	\$ 682,005	\$ 662,195	\$ 414,185	\$ 399,313
Internally restricted amounts	(345,000)	(345,000)	(345,000)	(345,000)
Unrestricted investments	\$ 337,005	\$ 317,195	\$ 69,185	\$ 54,313

The Board has internally restricted \$345,000 (2024 - \$345,000) of investments for self insurance. The investments have interest rates ranging between 1.78% to 6.93% (2024 - 1.78% to 6.93%) and mature between May 2026 to June 2045 (2024 - November 2025 to June 2045).

4. Capital assets:

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
Furniture and fixtures	\$ 181,975	\$ 169,208	\$ 12,767	\$ 15,959
Computer software	23,821	23,767	54	108
Leasehold improvements	40,117	40,066	51	73
	\$ 245,913	\$ 233,041	\$ 12,872	\$ 16,140

5. Accounts payable and accrued liabilities:

Included in accounts payable and accrued liabilities are government remittances payable of \$12,452 (2024 - \$14,361), which includes amounts payable for payroll related taxes.

BRITISH COLUMBIA TURKEY MARKETING BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2025

6. Commitments:

The Company rents premises under long-term operating leases. Future minimum lease payments over the remaining term are as follows:

2026	\$	32,484
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7. Internally restricted:

	2025	2024
Reserve fund	\$ 345,000	\$ 345,000

The reserve fund was historically internally restricted for any disease issues that may affect the turkey industry in the province. In October 2024, the Board updated the purpose of the reserve fund to cover operating expenditures in the event of unexpected funding or revenue shortfalls.

During the year, the Board did not approve any transfers (2024 - \$120,000) from the reserve fund to unrestricted net assets.

8. Contingencies:

The Turkey Farmers of Canada ("TFC") requires that the Board have sufficient funds or letters of credit to cover potential future assessments of liquidated damages for production greater than allocation on a province by province basis. At present, the Board has issued an irrevocable letter of credit in favour of TFC in the amount of \$96,785 (2024 - \$96,785) expiring November 2026. The letter of credit automatically renews every November. The Board has estimated liquidated damages for the 2024/2025 quota year to be nil. The final liability for the 2025/2026 quota year will be based on actual production up to the end of the quota year and will be recorded at that time.

In 2024, the Board paid \$137,644 to registered turkey growers whose farms were infected with avian influenza to offset their cleaning and disinfection costs. The Board closed this fund following the 2024 outbreak and therefore did not issue any payments in 2025.

BRITISH COLUMBIA TURKEY MARKETING BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2025

9. Economic interest - British Columbia Turkey Association:

The Board has the discretion to fund the British Columbia Turkey Association (the "Association") as set by the Natural Products Marketing (BC) Act. Accordingly, a large portion of the Association's funding is derived from the Board. As both the Board and the Association have objectives in common, the funding of the Association's objectives is expected to continue for the foreseeable future.

During the year, the Board made rental payments of \$31,536 (2024 - \$30,612) and producers membership dues payments of \$23,676 (2024 - \$24,309) to the Association. The rental payments are based on the fair value of rent for similar facilities at the time the multi-year lease was entered into. The producers membership dues are based on provincial turkey production. The Board collects levies from turkey producers and pays the dues on behalf of the turkey producers to the Association.

During the year, the Board received \$10,506 (2024 - \$10,200) in payments for administrative services provided to the Association, which was recorded in license income.

10. Financial risks:

(a) Liquidity risk:

Liquidity risk is the risk that the Board will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Board manages its liquidity risk by monitoring its operating requirements. The Board prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

(b) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Board deals with creditworthy counterparties to mitigate the risk of financial loss from defaults. The Board monitors the credit risk of customers through credit rating reviews.

(c) Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Board is exposed to interest rate risk with respect to its fixed income securities which fluctuate due to changes in market interest rates.

There has been no change to the risk exposures from the prior year.

BRITISH COLUMBIA TURKEY MARKETING BOARD

Notes to Financial Statements (continued)

Year ended December 31, 2025

11. Comparative information:

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.

BC TURKEY ASSOCIATION

BCTA PRESIDENT'S REPORT

2025 was a productive year for the BC Turkey Association.

We started the year by welcoming Luke Nickel and Johan Neels as new Directors, following the departure of Stan Thiessen and Steve Froese in March. We're grateful for all the time and energy Stan and Steve put into the Association over the years, and are excited to work with Luke and Johan moving forward.

A lot of the Association's time this year was spent wrapping up the funding that we received from the BC Ministry of Agriculture and Food's Farmed Animal Disease Program. This allowed farms to improve their biosecurity efforts through farm and barn improvements, and ensure they have the equipment they need to clean and disinfect their barns if they have a disease outbreak. There were many good projects completed. We are very grateful to the Ministry for providing this funding to our industry.



Our annual charity golf tournament in July was another great success. The commitment of our

entire turkey industry along with our friends in the egg industry shows year after year. We raised \$230,000 for the Union Gospel Mission at the 2025 tournament – more than we ever have before! It's a testament to our community that we continue to provide for those less fortunate through this event every year. Thank you to everyone who was involved and all those who contributed.

The Association hosted our second annual Thanksgiving Industry Reception in Abbotsford in October. We had good discussion with Dr. Nickel and Dr. Lin about disease challenges in turkey flocks before enjoying some holiday food.

We were very happy to see less HPAI in our industry this year than in the previous 3 years. We are not out of the woods yet, but we are learning more every year about how to protect our farms and respond quickly and efficiently to disease outbreaks.

Closing out my report, I'd like to thank my fellow Association Directors for your commitment to the industry. We have a great community of turkey growers, processors, feed companies, suppliers, and others all working to supply consumers with healthy and nutritious protein. We look forward to a great year in 2026.

Sincerely,

Steve Heppell
President, BC Turkey Association

Financial Statements of

**BRITISH COLUMBIA TURKEY
ASSOCIATION**

And Independent Practitioner's Review Engagement Report
thereon

Year ended December 31, 2025



KPMG LLP

32575 Simon Avenue
Abbotsford, BC V2T 4W6
Canada
Telephone (604) 854 2200
Fax (604) 853 2756

INDEPENDENT PRACTITIONER'S REVIEW ENGAGEMENT REPORT

To the Directors of British Columbia Turkey Association

We have reviewed the accompanying financial statements of British Columbia Turkey Association, which comprise the statement of financial position as at December 31, 2025, the statement of operations, statement of changes in net assets and statement of cash flows for the year then ended, then ended and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying financial statements based on our review. We conducted our review in accordance with Canadian generally accepted standards for review engagements, which require us to comply with relevant ethical requirements.

A review of financial statements in accordance with Canadian generally accepted standards for review engagements is a limited assurance engagement. The practitioner performs procedures, primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained.

The procedures performed in a review are substantially less in extent than, and vary in nature from, those performed in an audit conducted in accordance with Canadian generally accepted auditing standards. Accordingly, we do not express an audit opinion on these financial statements.



Page 2

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements do not present fairly, in all material respects, the financial position of British Columbia Turkey Association as at December 31, 2025, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

KPMG LLP

Chartered Professional Accountants

Abbotsford, Canada

February 17, 2026

BRITISH COLUMBIA TURKEY ASSOCIATION

Statement of Financial Position

December 31, 2025, with comparative information for 2024

	2025	2024
Assets		
Current assets:		
Cash	\$ 67,680	\$ 35,399
Term deposit (note 2)	110,014	305,014
Accounts receivable	22,127	1,610
	<u>199,821</u>	<u>342,023</u>
Capital assets (note 3)	74,398	82,356
Long-term investment (note 4)	1	1
	<u>\$ 274,220</u>	<u>\$ 424,380</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 5,920	\$ 5,579
Deferred contributions (note 5)	-	147,279
Deferred capital contributions (note 6)	5,330	6,663
	<u>11,250</u>	<u>159,521</u>
Net assets:		
Investment in capital assets (note 7)	69,068	75,693
Unrestricted	193,902	189,166
	<u>262,970</u>	<u>264,859</u>
	<u>\$ 274,220</u>	<u>\$ 424,380</u>

See accompanying notes to financial statements.

BRITISH COLUMBIA TURKEY ASSOCIATION

Statement of Operations

Year ended December 31, 2025, with comparative information for 2024

	2025	2024
Revenue:		
Rental income (note 9)	\$ 31,537	\$ 30,612
Producers membership dues (note 9)	23,676	24,309
Interest income	6,342	23,811
Amortization of deferred capital contributions	1,333	1,666
	<u>62,888</u>	<u>80,398</u>
Expenses:		
Amortization	7,958	7,547
BC Poultry Association	19,098	11,974
Directors - expenses	972	1,698
Directors - per diems	9,150	9,725
Industry meetings and events	4,513	4,029
Office and general (note 9)	11,357	27,255
Professional fees	6,151	5,083
	<u>59,199</u>	<u>67,311</u>
Excess of revenue over expenses before the undernoted items	3,689	13,087
Other income (expense):		
Grant revenues (note 5)	646,816	269,257
Grant expenses (notes 5 and 9)	(652,394)	(269,257)
Golf tournament (note 8)	-	-
	<u>5,578</u>	<u>-</u>
Excess (deficiency) of revenue over expenses	<u>\$ (1,889)</u>	<u>\$ 13,087</u>

See accompanying notes to financial statements.

BRITISH COLUMBIA TURKEY ASSOCIATION

Statement of Changes in Net Assets

Year ended December 31, 2025, with comparative information for 2024

	Investment in capital assets (note 7)	Internally restricted	Unrestricted	Total 2025	Total 2024
Net assets, beginning of year	\$ 75,693	\$ -	\$ 189,166	\$ 264,859	\$ 251,772
Excess (deficiency) of revenues over expenses	(6,625)	-	4,736	(1,889)	13,087
Internally imposed restrictions (note 8)	-	118,614	(118,614)	-	-
Approved expenditures (note 8)	-	(118,614)	118,614	-	-
Net assets, end of year	\$ 69,068	\$ -	\$ 193,902	\$ 262,970	\$ 264,859

See accompanying notes to financial statements.

BRITISH COLUMBIA TURKEY ASSOCIATION

Statement of Cash Flows

Year ended December 31, 2025, with comparative information for 2024

	2025	2024
Cash provided by (used in):		
Operations:		
Excess (deficiency) of revenue over expenses	\$ (1,889)	\$ 13,087
Items not involving cash:		
Amortization	7,958	7,547
Amortization of deferred capital contributions	(1,333)	(1,666)
	4,736	18,968
Changes in non-cash operating working capital:		
Accounts receivable	(20,517)	4,901
Accounts payable and accrued liabilities	341	(7,684)
Deferred contributions	(147,279)	(269,257)
	(162,719)	(253,072)
Investing:		
Acquisition of capital assets	-	(16,766)
Redemptions in term deposits	195,000	290,000
	195,000	273,234
Increase in cash	32,281	20,162
Cash, beginning of year	35,399	15,237
Cash, end of year	\$ 67,680	\$ 35,399

See accompanying notes to financial statements.

BRITISH COLUMBIA TURKEY ASSOCIATION

Notes to Financial Statements

Year ended December 31, 2025

Nature of operations:

British Columbia Turkey Association (the "Association") is organized to provide representation from the turkey growers to the poultry industry. The Association is incorporated under the Societies Act (British Columbia) and is a not-for-profit organization under the Income Tax Act. Accordingly the Association is exempt from income taxes provided certain requirements of the Income Tax Act are met.

1. Significant accounting policies:

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The Association's significant accounting policies are as follows:

(a) Investments:

The Association measures those investments at cost that are not subject to significant influence, control or joint control.

(b) Capital assets:

Capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expense. Betterments which extend the estimated life or improve the service potential of an asset are capitalized. The Association reviews the carrying amount of capital assets for impairment whenever events or changes in circumstances indicate that the asset no longer contributes to the Association's ability to provide goods and services, or that the value of the future economic benefits or service potential associated with the asset is less than its carrying amount. If such conditions exist, an impairment loss is measured and recorded in the statement of operations at the amount by which the carrying amount of the net asset exceeds its fair value or replacement cost.

Amortization commences in the month of acquisition and is calculated on a declining balance basis at the following rates:

Asset	Rate
Building and capital improvements	4%
Equipment	20%
Furniture and fixtures	20%

BRITISH COLUMBIA TURKEY ASSOCIATION

Notes to Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(c) Revenue recognition:

The Association follows the deferral method of accounting for revenues which include producers membership dues, rental income and other revenues.

Contributions for specific purposes or programs are deferred and subsequently recognized as revenue at the time the related expenses are incurred. Contributions restricted for capital assets are deferred and amortized into revenue at a rate corresponding with the amortization rate for the related asset.

Unrestricted contributions are recognized as revenue when received or receivable if the amounts can be reasonably estimated and collection is reasonably assured.

(d) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Freestanding derivative instruments that are not in a qualifying hedging relationship and equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. The Association has not elected to carry any such financial instruments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Association determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Association expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future year, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

BRITISH COLUMBIA TURKEY ASSOCIATION

Notes to Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(e) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates.

2. Term deposit:

The Association has a one-year redeemable short-term investment certificate at Bank of Montreal, with interest at 1.50% (2024 - 3.20%), maturing October 29, 2026 (2024 - October 30, 2025).

3. Capital assets:

				2025	2024
	Cost	Accumulated amortization		Net book value	Net book value
Buildings	\$ 151,961	\$ 100,878	\$	51,083	\$ 53,212
Equipment	21,423	15,105		6,318	7,898
Furniture and fixtures	24,803	7,806		16,997	21,246
	\$ 198,187	\$ 123,789	\$	74,398	\$ 82,356

4. Long-term investment:

The Association holds 100 common shares of BC Poultry Captive Insurance Company Inc. ("BCPCIC"), a privately owned company. BCPCIC is an insurance company incorporated by the BC Poultry Industry to provide supply managed poultry farmers in BC with insurance policies against Avian Influenza.

The investment in the BCPCIC is broken out as follows:

				2025	2024
100 Class D Common shares		\$	1	\$	1

BRITISH COLUMBIA TURKEY ASSOCIATION

Notes to Financial Statements (continued)

Year ended December 31, 2025

5. Deferred contributions:

Deferred contributions are comprised of unspent grant funding received from Investment Agriculture Foundation, which relate to the following programs:

	2025	2024
Animal disease	\$ -	\$ 80,909
BioSecurity	-	66,370
	\$ -	\$ 147,279

All grant funds related to these programs were received in full during the year, and the related expenditures were incurred in the same period. As a result, no deferred contributions remain outstanding.

	Animal disease	BioSecurity	2025	2024
Deferred revenue beginning of year	\$ 80,909	\$ 66,370	\$ 147,279	\$ 416,536
Amounts received during the year	249,537	250,000	499,537	-
Amounts recognized as revenue	(330,446)	(316,370)	(646,816)	(269,257)
Deferred contributions, end of year	\$ -	\$ -	\$ -	\$ 147,279

To maximize the funding received from IAF, BCTA Directors approved an additional \$5,165 in payments for on-farm projects. The funds for this came from BCTA's cash on hand.

6. Deferred capital contributions:

Deferred capital contributions represent external contributions for the purchase of capital assets.

Changes in deferred capital contribution balances are summarized as follows:

	2025	2024
Deferred capital contributions, beginning of year	\$ 6,663	\$ 8,329
Less: amortization of deferred capital contributions	(1,333)	(1,666)
	\$ 5,330	\$ 6,663

BRITISH COLUMBIA TURKEY ASSOCIATION

Notes to Financial Statements (continued)

Year ended December 31, 2025

7. Invested in capital assets:

a) Invested in capital assets is calculated as follows:

	2025	2024
Capital assets	\$ 74,398	\$ 82,356
Amounts financed by deferred capital contributions	(5,330)	(6,663)
	\$ 69,068	\$ 75,693

b) Deficiency of revenues over expenses:

	2025	2024
Amortization of deferred capital contributions	\$ 1,333	\$ 1,666
Amortization of capital assets	(7,958)	(7,547)
	\$ (6,625)	\$ (5,881)

c) Change in net assets invested in capital assets:

	2025	2024
Purchase of capital assets	\$ -	\$ 16,766

8. Golf tournament:

The Association hosts an annual charity golf tournament in conjunction with the BC Egg Marketing Board ("BC Egg"). Net proceeds from the golf tournament are split 50 / 50 with the BC Egg.

	2025	2024
Revenue	\$ 289,328	\$ 262,500
Expenses	(52,100)	(52,884)
	237,228	209,616
Allocation of net proceeds:		
BC Egg Marketing Board	(118,614)	(104,808)
BC Turkey Association	(118,614)	(104,808)
	\$ -	\$ -

BRITISH COLUMBIA TURKEY ASSOCIATION

Notes to Financial Statements (continued)

Year ended December 31, 2025

8. Golf tournament (continued):

During the year, the Board of Directors restricted \$118,614, (2024 - \$104,808) for donations to the Union Gospel Mission ("UGM") and spent \$118,614 (2024 - \$104,808) on donations to UGM.

	2025	2024
Net proceeds	\$ 118,614	\$ 104,808
Donations to UGM	(118,614)	(104,808)
	\$ -	\$ -

9. Economic dependence - British Columbia Turkey Marketing Board:

A substantial amount of the Association's revenue, both rental and producers membership dues income is derived from the British Columbia Turkey Marketing Board (the "Board"). The rental income of \$31,537 (2024 - \$30,612) is based on the fair market value of rent for similar facilities at the time the multi-year lease was entered into. The producers membership dues of \$23,676 (2024 - \$24,309) is based on provincial turkey production. The Board collects levies from turkey producers and pays these dues on behalf of the turkey producers to the Association.

During the year, the Association paid \$11,031 (2024 - \$10,200) for administrative services provided by the Board, which was recorded in office and general expenses.

10. Financial risks:

Liquidity risk:

Liquidity risk is the risk that the Association will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Association manages its liquidity risk by monitoring its operating requirements. The Association prepares budget to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from prior year.