

CDC Annual Public Meeting – January 2026

Remarks from the CEO

Benoit Basillais – Chief Executive Officer of the Canadian Dairy Commission

Speech – Check against delivery. This speech has been translated in accordance with the Government of Canada's official languages policy and edited for posting and distribution as per its communications policy.

1. OPENING

Good afternoon, everyone, and thank you for joining us today. It's a privilege to be here as we reflect on the close of the 2024–2025 dairy year and look ahead to the opportunities and challenges that lie ahead for the dairy industry.

First, I want to express my sincere gratitude to the entire CDC team and to our industry partners—producers, processors, and all other stakeholders—for your hard work, adaptability, and commitment. Your efforts have been instrumental in keeping our sector strong and responsive in a rapidly changing environment.

2. A GROWING INDUSTRY DESPITE CHALLENGES

Despite global uncertainty and market pressures, the Canadian dairy industry continues to grow.

Canadian milk requirements, which measure demand for milk butterfat, exceeded forecasts and reached 3.3% for the 2024–2025 dairy year. Growth is solid, as it is present for most dairy products. In addition, demand for protein has been very strong and continues to be so. Products such as yogurt, protein-enriched milks, and even cottage cheese have grown by more than 10% in some cases.

This growth has not only increased revenues but has also stimulated investment throughout the dairy industry. This increase in productivity benefits everyone.

For more details on market trends, the state of milk production, and butter stocks, please refer to the monthly update on the CDC website. Here is an example on this slide.

In the following slides, I will briefly summarize our main strategic objectives and achievements. You will find more details in our annual report on pages 36 to 52.

Such growth brings certain challenges and requires ever-greater adaptability, but it also demonstrates the strength of our supply management system, especially in times of volatility.

The CDC has worked closely with stakeholders to navigate rapid changes in demand, especially for dairy proteins, and ensure that milk utilization remains balanced and sustainable. We want to serve markets.

Our role is supportive—we are here to enable industry-wide reflection and collaboration, not to lead the charge, but to own our part in these important conversations.

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The CDC and the entire industry have invested considerable time and effort in promoting and stimulating innovation. The CDC has continued to administer the Dairy Innovation and Investment Fund (DIIF) and to support the industry in implementing various programs to stimulate Canadian growth. These efforts will continue this year.

As in previous years, the CDC published the cost of production for milk, actively communicated with various stakeholders, and published the results of the national pricing formula. This year, as last year, exceptional circumstances were not invoked. The results of the formula, which lies on the changes in the cost of production and the CPI in equal parts, will be applied to milk components billed at the farm as of February 1, 2026.

The CDC would like to inform you that the Canadian Consumers Association has ceased operations. We are actively seeking consumer representatives.

I invite you once again to visit the CDC website for more details on the cost of production results and adjustments to the CDC butter support price.

The CDC has also undertaken several projects to modernize its tools and practices so that its decisions are effective and based on objective data. For the CDC, successful management in the future depends on the ability to respond effectively and, therefore, to make timely decisions.

A few examples are presented on this slide. Some are carried out in partnership with industry and others in-house.

Internally, we've continued to optimize our organization for efficiency. This includes:

- Reviewing our governance structure.
- Improving our application infrastructure and renewing our information management framework.
- Implementing performance indicators for each of our mandates.

These steps position us to deliver programs, services, and policies that are relevant, forward-looking, and efficient.

3. ORGANIZATIONAL CULTURE AND ENGAGEMENT

Our success depends on our people. Over the past year, we've continued to foster a culture of inclusivity, respect, and excellence. Through Town Halls and other initiatives, we've engaged staff on critical topics such as mental health, diversity and inclusion, as well as the use of artificial intelligence.

We know that meaningful participation and active presence at work are key to building a strong organization. I'm proud of the creativity and resilience our team has shown in embracing these conversations and driving positive change.

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4. TRANSPARENCY AND PUBLIC ENGAGEMENT

Transparency remains a cornerstone of our work. We've expanded our social media presence and strengthened our commitment to dialogue with Canadians. Our goal is to ensure that information about our programs and policies is clear, accessible, and responsive to the needs of stakeholders and the public. We have completely redesigned and updated our industry orientation modules. They are open to everyone.

CLOSING

In closing, I want to express my pride in what we've accomplished together and my usual optimism for the future. The Canadian dairy industry is strong, resilient, and innovative, and the CDC is committed to supporting that success.

Thank you to our employees and partners for your creativity, dedication, and shared vision. Together, we will continue to build a sustainable and thriving dairy sector for Canadians.

I will now give the floor to Shikha Jain, who is Commissioner and Chair of the CDC Audit Committee.