

Social Responsibility

CANADA POST HAS THE UNIQUE PRIVILEGE OF BEING PRESENT IN EVERY COMMUNITY ACROSS CANADA – FROM THE LARGEST URBAN CENTRE TO THE SMALLEST RURAL AREA.

This national presence enables us to have a positive effect on Canadian communities from coast to coast. For this reason, we feel a particular sense of obligation to ensure that our organization thinks, operates and acts responsibly and ethically.

At a corporate level, Canada Post is committed to dedicating one per cent of its pre-tax profits to non-profit and registered charitable organizations across the country. This donation total incorporates cash and in-kind contributions.

In 2007, we donated more than \$500,000 to 300 different registered charities and not-for-profit organizations – for the benefit of all Canadians and on behalf of all employees. In addition to this one-per-cent donation in 2008, we are aiming to use the efforts of our people and the scale of our business to fund a national strategy that supports our new cause of choice: mental health.

Making charitable donations is just one way in which we show our commitment to being a socially responsible corporation; investing in community programs is another.

Investing in community programs is also a priority for our employees, with 92 per cent of those surveyed in 2007 saying they feel it is important for Canada Post to be involved

at the community level. We are proud of the charitable efforts of our employees, and recognize that they can contribute significantly to positive social change at national and local levels. We support their contributions in many ways, including with the Coaching and Community Involvement Program (CCIP). Through CCIP, we offer employees donations to support them in their personal community activities outside of the workplace. In 2007, we donated more than \$50,000 through the program for employees' involvement in various community organizations.

Our company and our employees have also been long-time supporters of the United Way. In 2007, we raised more than \$2.5 million through employee and corporate donations, and were delighted to become the country's first-ever donor to receive a 16th consecutive "Thanks A Million" award. This award recognizes organizations that raise \$1 million or more. Additionally, in 2007, for the seventh consecutive year, we made a donation of \$25,000 to The Salvation Army. In line with our new cause of choice, mental health, the money was allocated to The Salvation Army's Suicide Prevention Ministry.



Photo: Mike Ridewood

CANADIAN FREESTYLE IN STYLE

Canada Post has been proud to be a major sponsor of the Canadian Freestyle Ski Association (CFSA) for the past six years. In 2006, we announced a six-year partnership agreement with the CFSA that made Canada Post the title sponsor of Canada's freestyle ski team. After a successful 2006/2007 season, the Canada Post Freestyle Team is ready once again to impress the world with its athleticism, strength and agility as it works toward the 2010 Vancouver Olympic Games.

As well as supporting Canada's freestyle ski team, the CFSA and Canada Post are creating a bursary program that will recognize athletic excellence and encourage the development of athletes at all levels.

We are also delighted that many of our employees continue with their good works even after they have retired. The Heritage Club, which is made up of 25,000 long-service and retired employees, has 28 chapters across the country and makes many important contributions to community and charitable causes and events. Over the past decade, Heritage Club members have volunteered close to half-a-million hours organizing and supporting events, such as food-hamper drives at Christmas and Easter, and contributing to worthwhile causes. Club members are also the driving force behind the National Heritage Literacy Project and help with the Santa Letter-writing Program.

Every Christmas season, thanks to the efforts of more than 11,000 Canada Post volunteers and Heritage Club members, more than one million letters and 44,000 emails to Santa, from children across Canada and around the world, are replied to. This accomplishment was recognized in 2007 – the program’s 26th year – by The Guinness World Records. Employees manage the Santa Letter-writing Program, donating some 170,000 hours of their collective time every year, and Canada Post provides all associated materials. We also host a website with games, activities and a “Write to Santa” email feature.

The Santa Letter-writing Program is only one way in which we support literacy – a long-time area of importance and involvement for us. In 2007, we were, for the first time,

CANADA POST’S FIRST “GREEN” BUILDING

In 2007, Canada Post announced that it is building a new mail-processing plant in Winnipeg. The building will be a model for future plants across the country and will reflect the Modern Post by being equipped with new technology and ergonomically sound equipment. The building will also be environmentally friendly, incorporating green technologies and conforming to recognized green building standards.

We appreciate the enormous impact buildings can have on the environment and the opportunities for savings that come with more sustainable design. Beginning in 2008, we will ensure that all new Canada Post buildings are compliant with or registered for certification under the Leadership in Energy and Environmental Design (LEED) Green Building Rating System administered by the Canada Green Building Council.



PROTECTING THE ENVIRONMENT

Climate change presents enormous challenges; it also offers tremendous opportunities for Canada Post to innovate technologically, create economic and environmental benefits, and ultimately improve quality of life for all Canadians.

In 2002, we set a goal to reduce direct GHG emissions from our buildings and vehicles. We have a number of programs, projects and initiatives in place to help ensure we meet this target, including the anti-idling campaign, which encourages our drivers to reduce vehicle idling time and turn off engines whenever possible, and the commuting challenge, which was in its 12th year in 2007 and promotes “active commuting” by encouraging employees to walk, cycle, run or inline skate to work. We are also working with manufacturers and after-market outfitters to find a viable fuel-efficient vehicle that is suitable for our delivery operations.

As well, we recognize the need to reduce the pressure on Canada’s landfills. Our environment policy details waste-management and prevention plans, as well as local recycling practices, and we have launched an aggressive national recycling program at all of our facilities for 2008.

the presenting sponsor of the CanWest CanSpell National Spelling Bee. This one-year partnership with CanWest is one more way in which we strive to celebrate excellence in academic achievement and encourage positive study habits. Additionally, we also support La Dictée Paul Gérin-Lajoie, which aims to improve the quality of written French.

Our commitment to helping people learn and continue with their education also includes the Canada Post Aboriginal Education Incentive Award, which celebrates and rewards the hard work and determination of Aboriginal and Métis people who have overcome personal, economic or social adversity to return to high school, trade school, college or university. Canada Post is a committed participant in the Progressive Aboriginal Relations (PAR) program developed by the

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Canadian Council for Aboriginal Business (CCAB) and the National Quality Institute. The employment category within PAR promotes employee development and advancement.

Our advocacy for learning among young people is important to us, and we provide direct educational support to the children of full- and part-time employees through our Scholarship Program.

For the second year in a row, we're also helping our troops serving overseas feel a little closer to family and loved ones here at home. From October 26, 2007, to January 11, 2008, we again instituted free delivery of parcels and letters from family and friends to Canadian troops deployed in Afghanistan and elsewhere overseas.

Additionally, we believe that social responsibility includes doing our share on behalf of the environment. While the battle against climate change presents enormous challenges, it is also a tremendous opportunity for us to innovate technologically and economically, and ultimately improve quality of life for all Canadians. We are committed to taking steps to conserve energy, reduce greenhouse-gas emissions and improve the performance of our vehicles and facilities. Our overarching goal is to ensure the sustainability of our operations today and into the future.



CANADA POST'S CORPORATE SOCIAL RESPONSIBILITY REPORT

In 2007, Canada Post initiated its first Corporate Social Responsibility (CSR) Report, which established clear objectives around employee health and safety, environmental impact, business practices and community support. These objectives, and the mechanisms for measuring them, will be refined in future years as we work toward establishing a CSR framework that is fully transparent and accountable.

No CSR initiative can succeed without the full engagement and support of employees. Publication of our first CSR Report in 2008 will open up a conversation about our social responsibility to all employees, as well as to our partners and stakeholders.

For more information about Canada Post's 2007 Corporate Social Responsibility Report or to download a copy, please visit www.canadapost.ca/socialresponsibility.

Our commitment to mental health OUT OF THE DARKNESS AND INTO THE LIGHT



"My postpartum depression evolved into psychosis. I wasn't just tired anymore, I barely wanted to live. I had no choice but to be admitted into hospital and treated. For the sake of my son, I'm so glad I got the help I needed, but I was one of the lucky ones. I was really embarrassed when friends and co-workers came to visit me in the hospital. I didn't know how they would react. To my great surprise they were all so supportive and were in fact a big part of my recovery. I'm happy to talk about my success story whenever I can – talking about mental illness is the key to overcoming it. "

Patty McGuire, Officer, Employee Relations

It is estimated that 20 per cent of Canadians will suffer from a mental illness at some time in their lives, and the remaining 80 per cent will be affected by the mental illness of a family member, friend or colleague. In 2007, Canada Post was proud to announce that it was adopting mental health as its cause of choice.

With our more than 60,000 employees, we have an opportunity to really make a difference by raising awareness about mental health issues and, in turn, breaking down barriers for sufferers. In 2008, we will implement a national strategy that supports mental health, and will also urge businesses and governments to do more to help. As well, we're supporting our mental-health agenda through a variety of activities, including sponsorship of Mental Illness Awareness Week and a national "Address your Stress" campaign.

Mental Illness Awareness Week

Mental Illness Awareness Week (MIAW) is the annual national public education campaign of the Canadian Alliance on Mental Illness and Mental Health (CAMIMH). This annual national public education campaign, which takes place from October 5 to October 11 in 2008, helps Canadians to appreciate the human cost of mental illness and delivers the message that mental illness can be treated. We are proud to have chosen to become the Platinum Plus sponsor of MIAW for 2008.

A national strategy to support mental health

We hope to set an example that other companies will follow by implementing a national strategy in support of mental health. This strategy involves promoting awareness of mental-health issues through a variety of activities, as well as raising funds to support mental-health organizations. We will raise funds through the collective efforts of our people and the scale of our business.