

Canada Post 2011 Social Responsibility Report



Contents

About this Report	3	Our Communities	
Corporate Social Responsibility at Canada Post	3	Giving Back to our Communities	10
Our People		You and Canada Post	11
Health and Safety	5	Security of the Mail	11
Operational Safety	5	Privacy	11
Road Safety	6	Official Languages	11
Rural Mail Delivery Safety Review	6	Access to Information (ATI)	11
Absenteeism	6	Our Environment	
Diversity	7	Greenhouse Gas Emissions	13
Human Rights	7	Buildings	14
Employee Engagement	8	Fleet	15
Grievances	8	Landfill Waste Diversion	15
Code of Conduct	8	Minimizing your Footprint	16
Whistleblowing Policy	8	Global Reporting Initiative Listing	17

Feedback and Further Information

We welcome feedback on this report.
Please email us at info.csr@canadapost.ca.

or write to us at:

Corporate Social Responsibility
CANADA POST
2701 RIVERSIDE DR SUITE N0940e
OTTAWA ON K1A 0B1



Introduction

2011 was a difficult year for our customers, our employees and our financial health. The strains of a continued decline in core mail volumes, the effect of a work disruption and the negative financial impact of a pay-equity decision by the Supreme Court of Canada led to a financial loss after 16 consecutive years of profitability.

Despite our significant challenges, Canada Post remains committed to operating according to corporate social responsibility principles, including reporting on our achievements as well as on our challenges in a transparent fashion. We are proud of our progress on a number of social and environmental indicators, both in recent years and in 2011.

We are transforming our business in response to the profound shift to a digital economy and a shift in demand, away from traditional Lettermail™ toward more packages, as e-commerce grows. Of necessity, the changes we are making are, and will continue to be, significant.

What will remain constant is our commitment to acting responsibly toward our employees, our environment and the Canadian communities we are proud to serve.

A Few Highlights



↓ 12.6%

Decrease in carbon emissions from our owned fleet since 2008



67%

Landfill waste diversion rate achieved in 2011



\$6.9 million

Amount raised by employees and Canadians for the Canada Post Foundation for Mental Health since 2008



20 million

Number of Santa letters responded to by our Postal Elves since the Santa Letter-writing program started in 1982



↓ 32.2%

Reduction in injury frequency rate since 2008*



↓ 20.6%

Decrease in vehicle collisions since 2008

Lettermail™ is a trademark of Canada Post Corporation.

*Excluding Rural and Suburban Mail Carriers

About this Report

This year marks a change from publishing a complete, independent Corporate Social Responsibility (CSR) Report to producing a streamlined version of the report as a complement to our [Annual Report](#). Together, our Annual and CSR Reports will provide a complete, holistic and transparent view of our economic, social and environmental impact. We look forward to your feedback on this new approach.

This CSR Report covers the period from January 1, 2011 to December 31, 2011. It covers the activities of the Canada Post segment and, for the first time, some of the CSR achievements of Purolator Inc., our largest subsidiary.

The information in this report reflects topics and indicators deemed by management to be of significant interest and concern to our company, Shareholder and primary stakeholders.

A complete list of Global Reporting Initiative (GRI) indicators covered in the CSR and Annual Reports can be found on page 17.

Corporate Social Responsibility at Canada Post

Our approach to CSR is pragmatic: we aim to conduct business in a way that benefits our company, our stakeholders and all Canadians. We are on the ground in virtually every community across the country and strongly believe that our long-term economic sustainability is directly linked to the health and well-being of our employees, communities and environment.

Measuring and communicating our corporate performance in a complete, honest and transparent manner helps maintain the high level of trust Canadians have in our company. It can also lead to decreased costs, reduced risk, protection of market share, and attraction, retention and engagement of employees.

CSR is a combined effort from across the organization. Executive responsibility rests with the Senior Vice-President of Strategy, while a senior advisor and manager are responsible for ongoing activities and reporting.



Canada Post was chosen one of the Best 50 Corporate Citizens in 2011 by Corporate Knights, for the third year in a row.



Canada Post was proud to be selected as one of Canada's Best Diversity Employers for 2011.

Purolator Initiatives

Purolator shares our commitment to managing its business sustainably and protecting the communities where we live, work and play. As well as operating the largest green fleet in North America, Purolator has collaborated with Echo Global Logistics to find environmentally sustainable solutions to get shipments to their destinations. These efforts in supply chain excellence earned Purolator the coveted *Third-Party Logistics Sustainability Award* in 2011.

Our People



Health and Safety

Operational Safety

We aim to create a strong safety culture and prevent workplace injuries by encouraging the right behaviours from all employees and management.

In 2011, we focused on:

- implementing a new Health and Safety Policy,
- assessing the compliance of our “Life Safety” systems, such as machine guarding, electrical safety, working at heights and in confined spaces, emergency response and motorized equipment, and
- continuously improving our hazards assessments, specialized technical work, incident investigation and reporting, and safety leadership processes in Operations.

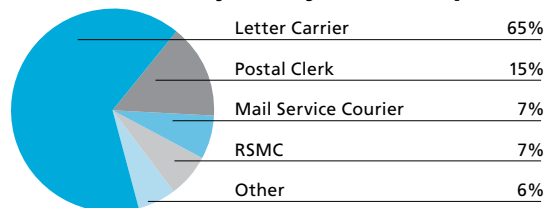
In 2011, we:

- reduced injury frequency by 4.6 per cent, from 6.5 to 6.2 per 100 full-time employees;
- reduced the total number of injuries by 6.2 per cent, from 3,078 to 2,888.

Unfortunately, one employee died in 2011 due to a fall while at work.

In 2012, we will continue to focus on preventing injuries and incidents, enhancing our safety culture and improving safety within our operations.

2011 Lost-Time Injuries by Work Group



Fatalities

	2011	2010	2009
Canada Post Employees	1	0	0*
RSMC** Helpers, Ergonomic Assistants and Replacements	0	0	0

*A fatality that occurred in 2009 was determined by the Workplace Safety and Insurance Board not to have occurred in and out of the course of employment. This ruling is now being appealed.

**RSMC: Rural and Suburban Mail Carriers

Lost-Time Injury Frequency Rate (per 100 FTE* employees)

	2011	2010	2009
Canada Post – excluding RSMCs	6.3	6.7	7.8
Canada Post – including RSMCs	6.2	6.5	NA

*FTE: full-time equivalent

Lost-Time Injuries

	2011	2010	2009
Injuries (excluding RSMCs)	2,687	2,861	3,414
RSMC Injuries	201	217	252
Total	2,888	3,078	3,666

“ Only 20 per cent of injuries happen in mail-processing plants. More than 80 per cent of injuries are related to delivery activities. ”



Road Safety

Due to the nature of our business, the safety of our employees on the road is an ongoing priority.

In 2011, we:

- reduced vehicle collisions by 2.4 per cent (18 per cent over the past three years);
- deemed 69 per cent of collisions to be preventable;
- delivered more than 42,000 hours of driver training, a 10 per cent increase over 2010.

Motor Vehicle Collision Frequency per 100,000 km (Owned Fleet)

	2011	2010	2009
Total for all vehicle types	2.0	1.9	2.2

Number of Motor Vehicle Collisions (Owned Fleet)

	2011	2010	2009
Total for all vehicle types	1,423	1,458	1,725

Rural Mail Delivery Safety Review

Our community-by-community mail safety initiative saw us review 147,380 Rural Mailboxes (RMB) in 2011. To date, 636,413 RMBs, 75 per cent of the total number of RMBs, have been reviewed. Rural mail delivery has been maintained to 90 per cent of the RMBs reviewed. In 2012, we will assess a further 124,648 RMBs, with the goal of completing assessments in the Quebec, Prairie and Pacific regions. Nationwide assessments are slated to be completed in 2013 with clean-up activities slated for 2014.

Purolator Initiatives

- Improved lost-time injury rate from 2006 to 2010 by 32 per cent. Days lost due to injury has improved by 12 per cent and vehicle accident frequency rate has improved by eight per cent.
- Recognized by the Canadian Human Rights Commission in 2011 as a sector leader in the representation of Aboriginal Peoples.

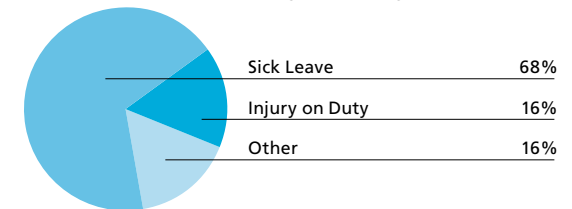
Absenteeism

Our absence rate increased slightly from 6.3 per cent in 2010 to 6.4 per cent in 2011. 68 per cent of absences were as a result of sick leave; 16 per cent because of an injury on duty. In 2012, we will continue to employ a best-in-class disability-management program for the benefit of our employees and our organization.

Absenteeism – As a percentage of usual hours of work

	2011	2010	2009
	6.4%	6.3%	6.9%

2011 Work Absences by Leave Type



Diversity

We are committed to an inclusive and diverse workforce that is reflective of our customers and the communities we serve. We will achieve this by fostering an inclusive and diverse workplace, and supporting human-resource policies and practices that reflect our Employment Equity goals.

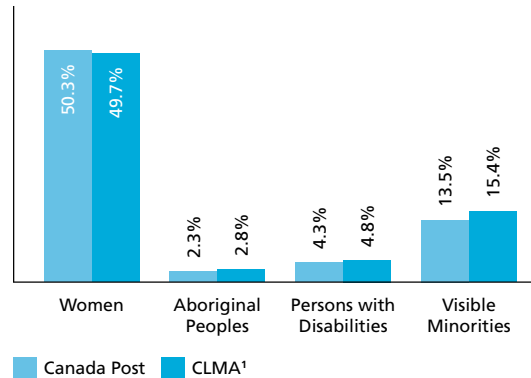
We continue to strive to ensure compliance with the *Employment Equity Act* and implement workforce practices that improve our organization's human-rights program.

In 2011, we:

- were selected as one of Canada's Best Diversity Employers;
- exceeded the Canadian Labour Market Availability (CLMA) for the representation of women achieving a rate of 50.3 per cent while the CLMA was 49.7 per cent, and we continue efforts to improve our CLMA rates for Aboriginal Peoples, Persons with Disabilities and Visible Minorities;
- maintained ongoing relationships with Canada's Aboriginal communities and continued to strengthen recruitment efforts through a partnership with Service Canada, ensuring Aboriginal applicants are directed to Canada Post career sites.



Canada Post Representation Rates Compared to Canadian Labour Market Availability



Overall Workforce

	2011	2010	2009	CLMA ¹
Women	50.3%	50.5%	49.5%	49.7%
Aboriginal Peoples	2.3%	2.3%	2.0%	2.8%
Persons with Disabilities	4.3%	4.7%	3.9%	4.8%
Visible Minorities	13.5%	12.3%	11.5%	15.4%

Senior Management²

	2011	2010	2009	CLMA ¹
Women	27.0%	30.0%	28.9%	24.1%
Aboriginal Peoples	0.0%	1.0%	1.7%	2.5%
Persons with Disabilities	5.0%	4.0%	4.1%	3.3%
Visible Minorities	6.0%	6.0%	3.3%	8.4%

¹Based on Government of Canada Census data, 2006

²General Manager and above

Human Rights

We aim to cultivate a culture of respect and fairness by delivering prevention initiatives and training that foster a more inclusive and respectful workplace that is free from discrimination. One such initiative includes working closely with other federal institutions and labour groups on a Canadian Human Rights Maturity Model that is being developed jointly with the Canadian Human Rights Commission (CHRC). The model is a roadmap for implementing workforce practices that will continuously improve an organization's human rights program. Formal complaints decreased by 70 per cent and internal human rights complaints decreased by four per cent, largely due to a change in methodology¹.

In 2011:

- A home-mailer promoting compliance with the Code of Conduct, including how to report instances of harassment, violence and other inappropriate actions, was sent to all employees. The mailer's focus was on "Respect and Fairness" in the workplace.
- General complaints of harassment increased by 35 per cent, likely due in part to the awareness campaign on workplace violence.
- A corporate communiqué was sent to raise awareness about the Duty to Accommodate Policy and the religious accommodation practice.

Human Rights Complaints

	2011	2010	2009
Formal Human Rights Complaints	26	89	92
Internal Human Rights Complaints	192	201	250
General Complaints of Harassment	471	349	308

¹The introduction of pre-emptive letters in 2011 by the Human Rights Commission, which requires that the internal grievance process be exhausted prior to launching a formal complaint, caused a significant decrease in the number of formal complaints.

Employee Engagement

We continue to focus on recognizing and supporting our front-line team leaders, improving respect and safety in the workplace, and involving employees in decisions that affect their work. Despite our efforts and following a difficult year, our Employee Engagement Index dropped by five points in 2011.

In 2011, we:

- met with more than 23,000 employees during 417 front-line visits to mail processing plants, depots and some retail locations;
- implemented transformational infrastructure changes to improve service and quality;
- developed a recognition workshop for Operations general managers, directors and managers;
- delivered new tools for team leaders to help them advance business priorities through recognition;
- recognized leadership excellence through our Best of Operations and Best of Retail programs;
- held our fourth annual Employee Appreciation Day, which celebrated and connected employees' individual contributions to the success of our company;
- delivered 105,843 hours of classroom training and e-learning to front-line employees and team leaders in areas such as Postal Transformation, Safety and Job Readiness, and Leadership and Customers.

Our strategy for 2012 is to develop our front-line leadership, improve the health and safety of our workplaces and continue efforts to recognize great work. We will also involve employees in discussions about our business and help them create positive customer experiences in everything they do.

Grievances

In 2011, the number of outstanding grievances filed by employees increased by 9.5 per cent. The number of new grievances filed decreased by 11 per cent, but remains very high with an average of more than one grievance for every three employees.

Grievances*

	2011	2010	2009
Filed	21,132	23,749	23,829
Total outstanding	56,584	51,665	41,463

*Written complaints filed by a union or employee association

Code of Conduct

Every day, Canadians count on us to do our jobs properly and professionally, act appropriately and make the right decisions. Canada Post's Code of Conduct outlines and supports appropriate behaviour and ethical decision-making at every level of our company. Most importantly, the Code helps establish trusting relationships among employees, as well as with our partners, our suppliers and the Government of Canada.

Although cases of wrongdoing in the workplace are rare, we are committed to an open, transparent work environment in which all employees are free to raise issues and concerns with their immediate supervisors or senior management, or through an independent third party in accordance with our Whistleblowing Policy.

Whistleblowing Policy

At Canada Post, we believe that every employee has a responsibility to report any activity by a colleague, customer, supplier or subcontractor that appears to violate applicable laws, rules, regulations or Corporate Policies.

The Disclosure of Improper Activities in the Workplace ("Whistleblowing") Policy encourages and enables employees to act in good faith and report potential improper activity. The policy also provides an environment for reporting that is free from fear of reprisal. Retaliation against employees who raise genuine concerns will not be tolerated.

However, we recognize that, in some circumstances, employees may not be comfortable raising potential improper activity with their immediate supervisors or senior managers. For these reasons and in keeping with our obligations under the *Public Servants Disclosure Protection Act*, we provide employees with a secure and confidential process for disclosing serious wrongdoing in the workplace.

Through the services of Clearview Strategic Partners Inc., we have set up an independently managed toll-free hotline to receive reports on potential improper activities. The hotline, which is available year-round, 24 hours a day, seven days a week, can be used by employees, customers and suppliers.

Our Communities



Giving Back to our Communities

In 2011, we committed \$1,176,000 to sponsorships and \$70,914 was provided in donations to our communities. We also started a review of our community involvement strategy to ensure our funding initiatives continue to support our communities in the most effective way possible.

Here are some of the community involvement activities that Canada Post and its employees supported in 2011.

Santa Letter-Writing Program

The Santa Letter-writing program remains our premier community involvement initiative. Since 1982, Santa's Post Office, supported by Canada Post and run by employees affectionately known as "Postal Elves," has received and responded to more than 20 million letters from children around the world. During the 2011 holiday season, more than a million letters were received at Santa's Post Office, and Postal Elves, who are all volunteers, delivered their 20 millionth response letter to a child in London, Ontario.



Long-time participant in the Santa Letter-writing program, Diane Lévesque, personally delivers Santa's response to ill children while wearing a fairy costume.

United Way™

Through payroll deductions and local fundraisers, Canada Post employees have shown, once again, they want to help the less fortunate in their communities by donating to United Way. In 2011, together with our employees, we raised more than \$1.9 million* and received the "Thanks a Million" award. We've received this award every year since it was created in 1994.

Canada Post Foundation for Mental Health

In 2011, we raised \$2.1 million for the Canada Post Foundation for Mental Health. By the fall of 2012, more than \$6.6 million in grants will have been distributed to more than 140 organizations across Canada. Thanks to the support of customers, employees, the company and the public, the Foundation's grants will have touched lives in communities large and small, reflective of our company's reach.



Mental Health stamp designer, Miriane Majeau, at the unveiling of her stamp The Puzzle, which was the first stamp design in Canada Post's history to be chosen by Canadians, who participated in an online vote.

Purolator Initiatives

- Helped provide more than the equivalent of two million kilograms of food to local food banks across Canada since 2003, helping the nearly 900,000 Canadians who depend on food banks each month.
- Raised more than \$3 million through annual United Way workplace giving campaigns since 1995.

Other initiatives in 2011 included:

- distributing 108 donations of between \$250 and \$500 through the Coaching and Community Involvement Program (CCIP), which gives to organizations that count Canada Post employees among their volunteers;
- recognizing 24 Aboriginal people through the Canada Post Aboriginal Education Incentive Awards (AEIA) for their efforts to improve their lives.



Human Resources officer Madelaine Jones (right) presented Darlene Marchuk (left) with an AEIA at a quiet ceremony held at the University of Calgary in Edmonton on January 27, 2011.

United Way™ is a trademark of United Way of Canada – Centraide Canada.

*A portion of employee donations to the United Way was directed to the Canada Post Foundation for Mental Health.

You and Canada Post

Security of the Mail

Ensuring the security of the mail is the cornerstone of our business. We take this responsibility seriously and continuously strive to improve the integrity of our operations.

In 2011, we:

- implemented enhanced quality and security business-intelligence systems to increase detection capabilities;
- equipped 41 sites with cameras, for a total of 54 sites with cameras countrywide;
- conducted 68 comprehensive threat-risk assessments and more than 700 audits and inspections;
- screened more than 12,000 employees and contractors to provide our customers with greater confidence.

Privacy

Canada Post is subject to the *Privacy Act* and has demonstrated strong compliance since the *Act's* inception more than 25 years ago. By focusing on prevention and awareness, we are able to help ensure our overall compliance and that Canadians' expectations are respected. Our goal is to continue to pursue a holistic view of privacy and information management across the Corporation, as well as provide consistent and transparent privacy protection and information handling practices and proper risk management.

In 2011, our ongoing commitment to the Privacy Management Framework saw us increase awareness through the launch of the Privacy Impact Assessment Practice and the Notification of Breach

of Personal Information Practice. We also finalized and deployed our privacy e-learning course, which had a 100 per cent completion rate by employees.

Official Languages

The *Official Languages Act* establishes parameters for the use of French and English in the workplace and services for Canadians across the country.

We are focusing on improving our ability to:

- actively offer and provide bilingual in-person service,
- provide employee training and professional development in the employee's preferred language,
- conduct meetings in both official languages, and
- provide supervision in the employee's language of choice.

We will continue to increase compliance with official language requirements in bilingual regions, respect the official language of choice of customers and employees, promote linguistic duality in Canada and support minority official language communities.



Access to Information (ATI)

The *Access to Information Act* gives Canadians the right to access any record under the control of Canada Post, which is not deemed to contain financially or commercially sensitive information. An evaluation of our performance under the *Act* during 2009 and 2010 was conducted as part of the Information Commissioner's Report Card exercise. The resulting "Red Alert" rating was due mainly to the time taken to process requests and release information.

In 2011, we focused on developing and executing an action plan to address our ATI request backlog, and improve our on-time performance and overall compliance with the *Act*. To date, we have reduced the number of backlogged requests by 74 per cent and maintained an 88 per cent on-time closure rate for requests made in 2011.

Our Environment



Greenhouse Gas Emissions

Every activity affects the environment in which we live. At Canada Post, we continue to do our part to reduce, wherever possible, carbon emissions from our operations.

In 2011, carbon emissions from our owned fleet decreased by 4.5 per cent, or 2.4 kilotonnes. Emissions from our buildings remained flat at 97.1 kilotonnes¹.

Progress toward our targets

Short term target: From 2002 to 2012, reduce emissions from our vehicle fleet and buildings by a total of 14 per cent.

Result to date: Reduced emissions by 15.1 per cent (or 10.5 per cent if Rural and Suburban Mail Carriers [RSMCs] are included.)

Greenhouse Gas (GHG) Emissions Compared to our 2002 Baseline (kilotonnes)

	2011	2002	Change
Fleet	51.5	54.5	-5.5%
Buildings	97.1	120.4	-19.4%
Total	148.6	174.9	-15.1%
RSMCs	32.1	26.9	+19.3%*
Total with RSMCs	180.7	201.8	-10.5%

*The increase in GHG emissions is mostly due to an increase in the number of kilometres driven.

Long term target: From 2008 to 2020, reduce emissions from buildings, vehicle fleet and planes (DC-10s) by 20 per cent.

Result to date: Reduced emissions by 6.3 per cent

GHG Emissions Compared to our 2008 Baseline (kilotonnes)

	2011	2008	Change
Fleet	51.5	58.9	-12.6%
Buildings	97.1	101.0	-3.9%
DC-10s	46.3	48.0	-3.6%
Total	194.9	207.9	-6.3%

GHG Emissions by Scope (kilotonnes)

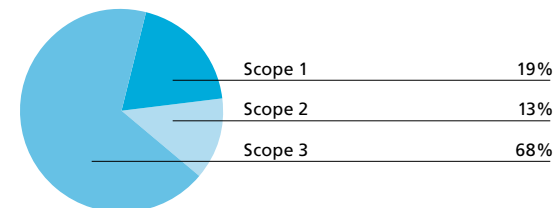
	2011	2010	2009
Scope 1			
Owned fleet	51.5	53.9	56.7
Buildings: Heating ¹	34.6	35.8	37.2
Scope 2			
Buildings: Electricity ¹	62.5	61.4	62.7
Scope 3²			
Postmaster-provided outlet	1.0	NC	NC
Dealer outlets	6.2	NC	NC
Domestic air delivery—DC-10s	46.3	46.6	45.4
Domestic air delivery—other	6.1	1.6	NC
International outbound air delivery	31.8	17.2	NC
RSMCs	32.1	31.1	30.2
Subcontracted ground transportation	135.6	101.5	101.5
Rail transportation	1.9	NC	NC
Business travel	9.1	8.9	8.6
Employee commutes	45.2	45.7	46.8
Employee conveyance	2.8	3.0	NC

¹ Covers approximately 75 per cent of the total square metres of our real estate portfolio. Excludes postmaster-managed buildings and some of our leased buildings where energy consumption is not measured.

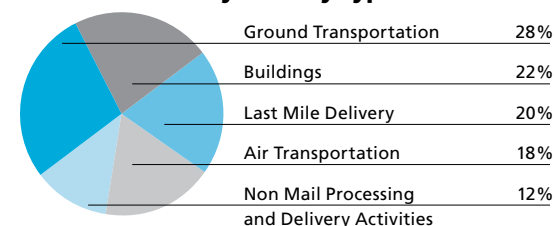
² Scope 3 categories are estimated based on best available data. Emissions in some Scope 3 categories have increased substantially due to the availability of more accurate information and new Scope 3 categories were added as data was made available.

NC: Not calculated

2011 Emissions by Scope



2011 Emissions by Activity Type



Purolator Initiatives

- Ensured cleaner deliveries every day through 586 hybrid-electric delivery vehicles, representing 19 per cent of Purolator's pick-up and delivery fleet—more than any other freight and parcel solution provider in North America.
- Eliminated approximately 12,450 tonnes of greenhouse gases annually by optimizing routes traveled by ground vehicles.
- Reduced energy consumption at 46 operations facilities by up to 30 per cent through lighting retrofits.

Buildings

We made great strides in greening our buildings in 2011 and received our first Leadership in Energy and Environmental Design (LEED™) certifications. LEED-registered and -certified new building projects currently account for approximately 7.5 per cent of the total square footage of our building portfolio.

During 2011:

- three delivery depot projects, in Woodstock (ON), Hamilton West (ON) and Spruce Grove (AB), were certified by the Canada Green Building Council (CaGBC) as LEED Silver,
- nine new building projects were registered for a total of 23 registered projects,
- 15 new LEED-registered building projects were completed and became operational, and
- 12 LEED-certification applications were submitted to the CaGBC.

We also announced plans to build a new 700,000-square-foot mail-processing facility at the Vancouver International Airport. The facility, which is slated for completion in 2014, has been registered for LEED certification.

LEED Buildings

	2011	2010	2009
Total number of LEED-registered building projects	23	14	11
Number of LEED-certified building projects	3	0	NA
Square metres of LEED-registered building projects	140,509	57,336	47,660
Percentage of total square metres registered to LEED	7.5%	3.1%	2.6%

NA: Not applicable

Real Estate Energy Performance

	2011	2010	2009
Electricity (gigajoules)	1,023,582	1,002,783	1,059,917
Natural Gas (gigajoules)	605,151	635,899	660,943
Oil (gigajoules)	42,516	45,449	47,639
Square Metres	1,414,176	1,427,625	1,503,567
Gigajoules per Square Metre	1.20	1.20	1.22

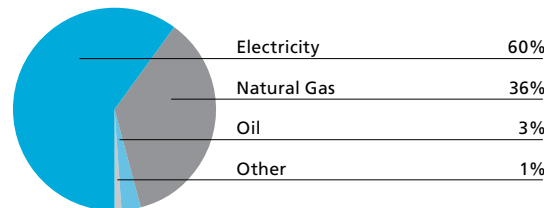
Covers approximately 75 per cent of the total square metres of our real estate portfolio. Excludes postmaster-managed buildings and some of our leased buildings where energy consumption is not measured.

Regulatory Warnings and Halocarbon Releases

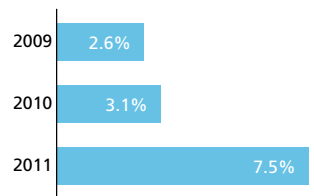
	2011	2010	2009
Regulatory Warnings/Complaints	6	4	3
Halocarbon Releases (number of releases/ozone-depleting potential)	x52/111 kg	x26/14.8 kg	x20/11.8 kg*

*Restated

2011 Building Energy Consumption by Fuel Type



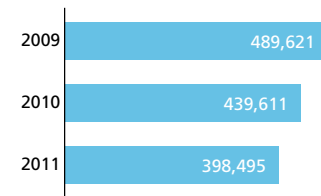
Percentage of Total Building Space Registered to LEED



Paper consumption

Since the introduction of new multi-function print devices in 2009, we've reduced the amount of paper we use by nearly 100 tonnes (or 19 per cent).

Office Paper Consumption (kilograms)

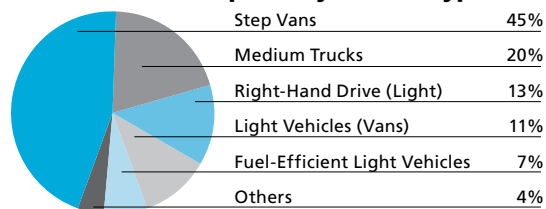


LEED™ is a trademark of U.S. Green Building Council.

Fleet

As part of our new delivery model, we will continue replacing a total of approximately 2,400 vehicles with new fuel-efficient light vehicles and expand our use of alternative fuels. We currently have 10 natural gas, 14 electric, 23 hybrid and 123 propane vehicles. By the end of 2012, we will have approximately 340 vehicles that run on propane. Although the total number of vehicles in our fleet increased by 6.2 per cent in 2011, we managed to reduce our fuel consumption by 3.7 per cent and CO₂ emissions by approximately 4.5 per cent.

2011 Fuel Consumption by Vehicle Type



2011 Green Fleet Leadership Award

Steve Clark, Director of Fleet at Canada Post, received the 2011 Green Fleet Leadership Award in recognition of his exemplary personal commitment, actions and successes in making his fleet more environmentally responsible. We are proud of Steve's commitment and congratulate him on his accomplishment.

Types of Vehicles

	2011		2010	2009
	Litres of Fuel per 100 km	Number of Vehicles	Number of Vehicles	Number of Vehicles
Cars – SUV Hybrid	7.8	44	35	32
Fuel-Efficient Light Vehicles	16.2	2,280	1,177	2
Light Vehicles (Vans)	26.9	1,030	1,153	1,688
Right-Hand Drive (Light)	25.3	1,388	1,897	2,204
Step Vans	33.2	2,624	2,667	2,686
Medium Trucks	36.2	305	287	297
Tractors	44.7	26	24	25
Shunts – Yard Tractor	62.4	13	13	14
Trailers	NA	94	94	94
Total		7,804	7,347	7,042

NA: Not applicable

Fleet Performance¹

	Change YOY	2011	2010	2009
Litres of Fuel (in millions)	-3.7%	21.0	21.8	22.9
Number of Kilometres Travelled (in millions)	-4.0%	72.1	75.1	78.9
CO ₂ Emissions from Road Vehicles (in kilotonnes)	-4.5%	51.5	53.9	56.7
Total Number of Road Vehicles (in thousands)	6.2%	7.8	7.3	7.0

¹Canada Post-owned Fleet (excluding RSMC vehicles)

Landfill Waste Diversion

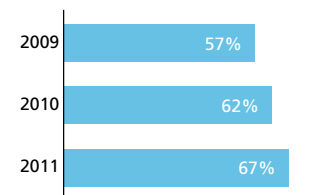
Through awareness and education programs around recycling initiatives, we were able to achieve a 67 per cent Landfill Waste Diversion Rate throughout those sites where data is available. This is a five-percentage-point increase over 2010.

Recycling Summary

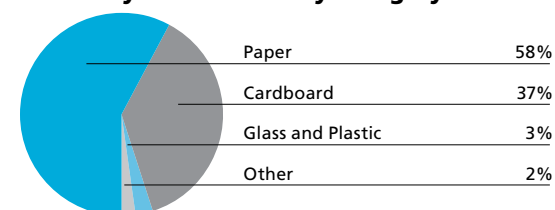
	2011
Landfill	5,434
Recycling	11,233
Total	16,667
Diversion%	67%

All measurements are in metric tonnes, as reported by Facility Management Companies. The reported landfill waste diversion rate reflects the known weighed volume of waste and recycled material as well as estimated volumes based on a number of assumptions used by waste-management service providers. The actual landfill waste diversion rate might therefore be lower or higher than reported.

Landfill Waste Diversion Rate



2011 Recycled Material by Category



Note: Not all regions reported a breakdown of recycled material by category. The percentages reflect the weight of material recycled, by type, in three of our seven regions. This represents approximately 40 per cent of the total reported volume.

Minimizing your Footprint

Everything we do from the vehicle we drive and the food that we eat to how we heat our homes and how we travel determines our carbon footprint—that is the amount of carbon emitted because of our activities as individuals and corporations.

We can have a big effect on our individual carbon footprints—and move toward a greener future—by the choices we make each day.

For example, is it more energy efficient to buy online or go to the mall? Shopping online is certainly more convenient and easier, but is it also more environmentally friendly?

Buy Online or Go to the Mall?

We estimate that the average carbon emissions associated with processing and delivering a typical parcel in Canada are approximately 500 to 800 grams. An average car emits approximately 230 grams of carbon per kilometre. This means that a 10-kilometre roundtrip to the mall to purchase a single item would produce approximately three to five times as much CO₂ (2,300 grams) when compared to purchasing the same item online and having it delivered by Canada Post.

Regular or Express Delivery?

CO₂ emissions associated with a regular parcel delivery by Canada Post can be up to six times less than an overnight delivery by a courier. As a general rule, the faster the delivery and the greater the distance, the more energy is consumed and the more carbon emitted. We combine mail and parcel delivery along our routes, which ensures greater volume density for every kilometre travelled, and leads to a lower environmental impact for each item delivered.



Online Purchase with Delivery

	Approximate Grams of CO ₂ per item
Overnight Delivery	2,000 – 3,000
Three- to five-day Parcel Delivery	500 – 800

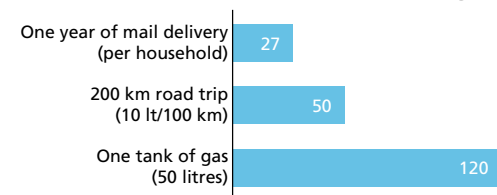
Physical Mail or Digital Communications?

Completely different amounts of energy, materials and waste are associated with the lifecycles of printed mail and digital communications. The two are so dissimilar as to be practically impossible to compare. One argument is that because printed material, such as mail, requires the use of trees, electronic communications must be greener. Another argument counters that print is greener because trees are a renewable resource and paper can easily be recycled, whereas servers consume large amounts of energy and the disposal of computers can cause toxic waste that can't easily be recycled.

We estimate that the carbon emissions associated with the processing and delivery of mail for a typical household are approximately 27 kg per year. This represents about one tenth of one per cent of a typical Canadian household's annual emissions.

Ultimately, the choice between physical mail and electronic communications comes down to personal preference. Canadians who prefer to receive mail electronically can sign up for our [epost](#) service, which is the secure and simple way to keep track of bills, statements and important documents from multiple companies and organizations.

Approximate Carbon Emissions (kilograms)



Global Reporting Initiative Listing

This Social Responsibility (SR) Report was developed with reference to the [Global Reporting Initiative \(GRI\) G3.1 Guidelines](#). The table below shows the GRI indicators covered in the SR report, our [Annual Report \(AR\)](#) and other sources.

The GRI has developed the world's most widely used sustainability/CSR reporting framework, which sets out the principles and indicators that organizations can use to measure and report their economic, environmental and social performance. To find out more about the GRI, please visit www.globalreporting.org.

Standard Disclosures Part I: Profile Disclosures

1. Strategy and Analysis			
Profile Disclosure	Description	Reference	Extent of Reporting
1.1	President's message	AR p.4	Full
1.2	Description of key impacts, risks and opportunities	AR pp. 45-49	Full
2. Organizational Profile			
2.1	Name of the organization	AR p.3	Full
2.2	Primary brands, products and/or services	AR pp. 2, 3	Full
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries and joint ventures	AR p.3	Full
2.4	Location of organization's headquarters	AR p.86	Full
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	AR p.3	Full
2.6	Nature of ownership and legal form	AR pp. 3, 86	Full
2.7	Markets served (including geographic breakdown, sectors served and types of customers/beneficiaries)	AR pp. 3-11	Partial
2.8	Scale of the reporting organization	AR pp. 2, 3, 24, 30	Full
2.9	Significant changes during the reporting period regarding size, structure or ownership	AR p.6	Full
2.10	Awards received in the reporting period	SR p.3	Full
3. Report Parameters			
3.1	Reporting period (e.g. fiscal/calendar year) for information provided	SR p.3	Full
3.2	Date of most recent previous report (if any)	SR p.3	Partial
3.3	Reporting cycle (annual, biennial, etc.)	SR p.3	Full
3.4	Contact point for questions regarding the report or its contents	SR p.1	Full
3.5	Process for defining report content	SR p.3	Partial
3.6	Boundary of the report (e.g. countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance	SR p.3	Full
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope)	SR p.3	Partial
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations and other entities that can significantly affect comparability from period to period and/or between organizations	SR p.3	Partial

Global Reporting Initiative Listing continued

3. Report Parameters (continued)			
	Explanation of the effect of any restatements of information provided in earlier reports, and the reasons for such restatement (e.g. mergers/acquisitions, change of base years/periods, nature of business, measurement methods)		
	Response:		
	<ul style="list-style-type: none"> • The term "Accident" was changed to "Injuries." • Estimates of greenhouse gas emissions related to some Scope 3 categories have increased substantially due to the availability of more accurate information and new Scope 3 categories were added as data was made available. • The amount of halocarbon releases in 2009 has been restated from 9.7 kg to 11.8 kg. 	SR pp. 5, 13, 14	Partial
3.10			
3.11	Significant changes from previous reporting periods in the scope, boundary or measurement methods applied in the report	SR p.3	Partial
3.12	Table identifying the location of the Standard Disclosures in the report	SR pp. 17-21	Full
4. Governance, Commitments and Engagement			
	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks such as setting strategy or organizational oversight		
4.1	Response: See Corporate Governance page on Canada Post website canadapost.ca/cpo/mc/aboutus/corporate/governance/default.jsf .		Full
	Indicate whether the Chair of the highest governance body is also an executive officer		
4.2	Response: The positions of Chairman of the Board of Directors and Chief Executive Officer are separate.		Full
	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members		
4.3	Response: See Corporate Governance page on Canada Post website canadapost.ca/cpo/mc/aboutus/corporate/governance/default.jsf .		Full
	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body		
4.4	Response: The Annual Public Meeting is the communication mechanism for employees. The Shareholder provides direction to the Corporation through the Corporate Plan approval process as well as other ad hoc less formal meetings/channels.		Full
	Linkage between compensation for members of the highest governance body, senior managers and executives (including departure arrangements), and the organization's performance (including social and environmental performance)		
4.5	Response: Compensation for directors is set by the Government and there is currently no linkage with corporate performance. Compensation for most employees, including all executives, is linked to performance, where rewards are linked to corporate and individual results in a number of areas, including health and safety.		Full
	Processes in place for the highest governance body to ensure conflicts of interest are avoided		
4.6	Response: The Board has adopted a Code of Conduct for its members, including an annual declaration by each director of the entities in which he or she holds an interest. Additionally, the Corporation has created a whistleblowing mechanism that is managed by an independent third party to allow employees/suppliers to bring any wrongdoing to the attention of the Corporation without fear of reprisal.		Full
	Process for determining the composition, qualifications and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity		
4.7	Response: The Board has adopted a profile for the selection of directors that has been communicated to the Government. The Board provides recommendations to the Government in respect of the qualifications and/or experience that are required to replace an outgoing director. The Government appoints directors.		Full
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental and social performance, and the status of their implementation	SR p.8	Partial
	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles		
4.9	Response: See the Corporate Governance page on Canada Post website canadapost.ca/cpo/mc/aboutus/corporate/governance/default.jsf .		Full

Global Reporting Initiative Listing continued

4. Governance, Commitments and Engagement (continued)				
	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance			
4.10	Response: The Board conducts an annual self-assessment through the completion of a survey. The results are reported to the Board and action plans put in place to address any issues affecting the Board's performance.			Full
	Explanation of whether and how the precautionary approach or principle is addressed by the organization			
4.11	Response: The Corporation presents an Enterprise Risk Management Framework to the Board of Directors as part of the business planning process for the development of the Corporate Plan.			Full
Economic				
Performance Indicator	Description		Reference	Extent of Reporting
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments		AR pp. 22-139; SR p.10	Full
Environmental				
EN1	Materials used by weight or volume		SR p.14	Partial
EN3	Direct energy consumption by primary energy source		SR p.14	Full
EN4	Indirect energy consumption by primary source		SR p.14	Full
EN5	Energy saved due to conservation and efficiency improvements		SR p.15	Partial
EN6	Initiatives to provide energy-efficient or renewable-energy-based products and services, and reductions in energy requirements as a result of these initiatives		SR p.16	Partial
EN7	Initiatives to reduce indirect energy consumption and reductions achieved		SR p.13	Partial
EN16	Total direct and indirect greenhouse gas emissions by weight		SR p.13	Full
EN17	Other relevant indirect greenhouse gas emissions by weight		SR p.13	Full
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved		SR p.13	Full
EN19	Emissions of ozone-depleting substances by weight		SR p.14	Partial
EN22	Total weight of waste by type and disposal method		SR p.15	Partial
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation		SR p.16	Partial
	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations			
EN28	Response: In 2011, Canada Post did not receive any material fines or sanctions related to environmental performance.			Full
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce		SR p.13	Partial
Social: Labour Practices and Decent Work				
LA1	Total workforce by employment type, employment contract, and region, broken down by gender		AR pp. 39-40	Partial
	Percentage of employees covered by collective bargaining agreements			
LA4	Response: Approximately 95 per cent of Canada Post's employees are covered by collective agreements.			Full
	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements			
LA5	Response: Approximately 95 per cent of Canada Post's employees are covered by collective agreements which include provisions for notification of technological changes.			Full

Global Reporting Initiative Listing continued

Social: Labour Practices and Decent Work (continued)			
LA7	Rates of injury, occupational diseases, lost days and absenteeism, and number of work-related fatalities by region	SR pp. 5-6	Partial
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	SR p.7	Partial
Social: Human Rights			
HR4	Total number of incidents of discrimination and corrective actions taken	SR p.7	Partial
HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights Response: Canada Post operates solely within Canada and approximately 95 per cent of employees are covered by collective bargaining agreements. No significant supplier was identified in which the right to exercise freedom of association and collective bargaining were at significant risk.		Full
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor Response: Canada Post operates solely within Canada and deems that there is no risk of child labour being used. No significant supplier was identified as having significant risk for incidents of child labour. Canada Post has issued supplier guidelines that require suppliers to comply with and uphold all applicable international standards and applicable domestic laws related to human and labour rights including all applicable child labour laws. The guidelines are available on our website at canadapost.ca/cpo/mc/assets/pdf/aboutus/sr_guidelines_en.pdf .		Full
Social: Society			
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	AR pp. 18-21	Partial
SO4	Actions taken in response to incidents of corruption	SR p.8	Partial
SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country Response: Canada Post is a federal Crown Corporation and does not make financial or in-kind contributions to political parties or politicians.		Full
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes Response: In 2011, Canada Post did not have any legal actions taken against it relating to business practices.		Full
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations Response: In 2011, Canada Post did not receive any material fines or material sanctions relating to non-compliance with laws and regulations.		Full
Social: Product Responsibility			
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	AR p.37	Partial
PR6	Programs for adherence to laws, standards and voluntary codes related to marketing communications, including advertising, promotion and sponsorship Response: We maintain openness and accountability in all of our charitable efforts, and all submissions for donations or sponsorships must meet strict eligibility criteria, as specified in our donations policies and practices.		Partial
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion and sponsorship, by type of outcomes Response: In 2011, Canada Post did not have any incidents of non-compliance related to marketing activities.		Full
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services Response: In 2011, Canada Post did not have any incidents of non-compliance related to products and services.		Full