



2020 Sustainability Report

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The Canada Post Community Foundation stamp issue puts the “fun” in fundraising, with a fundraising stamp design selected by our frontline postal staff.

The winner, by Subplot Design Inc., features an illustration by Isabelle Arsenault of a diverse (and adorable) community of animals living peacefully in a bountiful tree. It reminds us that, despite our differences, we have the power to come together and enrich each other's lives.

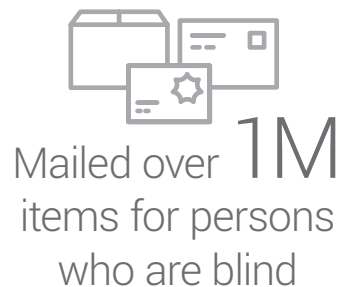
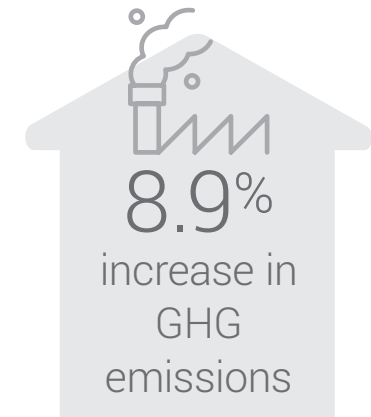
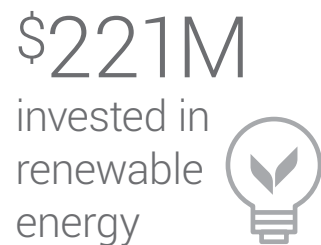
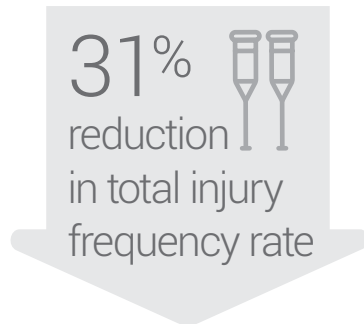


We value your feedback

Our Sustainability Report is how Canada Post discloses its environmental, social and governance performance to all our stakeholders. We welcome feedback and questions on our initiatives and progress.

Contact us at ESG@canadapost.ca

2020 Highlights



Canada Post named Canada's
MOST TRUSTED BRAND

Message from the Chair of the Board of Directors

On behalf of the Board of Directors, I am pleased to share Canada Post's 2020 Sustainability Report with Canadians. This comprehensive report is about our commitment to, and progress in, environmental, social and governance (ESG) performance. I am proud of the work Canada Post is doing in this regard, and I look forward to our progress gathering momentum.

I believe that what Canada Post does really matters to Canadians. One way is the size of our workforce: as we become a safer employer, it makes things better for employees and their families. Certainly, all through the pandemic, our employees, bargaining agents and management made the safety of employees and the communities they serve our top priority. Likewise, as we become a more inclusive employer – and we are, by investing in resources and training – there is a positive impact throughout wider Canadian society. Yet another example is the size of our network and fleet: When we reduce our environmental impact, it's a meaningful contribution.

What we do matters in another way, too. We are the national postal service. We serve every community. We connect every Canadian – as we have for centuries. Canadians feel Canada Post is theirs. They want us to value what they value, as well as provide trusted and reliable service. So we're prioritizing people, and doing our part to protect the planet – with new strategies and ways of making decisions.

For example, a committee of the Board is now focused entirely on ESG issues. And our Pension Plan is integrating ESG into its investment strategy and decision-making, while keeping a focus on returns for Plan members. Steps like these make us part of a global reorientation of corporate priorities, reflected in ESG-based approaches and reporting. I'm

very pleased to see that our unions have played an important role as we adopt ESG principles – and we will continue to collaborate with them. It's not business as usual. It's business through a wider lens. It's this business, and others, recognizing their role in moving toward a low-carbon future, for example. It's embracing the importance of creating a workplace that is not only safe, but also equitable, diverse and inclusive.

Of course, the ambition to do better in these areas comes with greater accountability. The Canadians we serve deserve no less. As well, our commercial customers also care about people and the planet. They are increasingly asking us what we're doing in these areas. I am proud of our recent progress – and the Board and I expect that with each passing year, Canada Post will have even more achievements to share with Canadians and customers.

I am grateful that the Board of Directors, senior leadership team and employees are aligning around these critical areas. I am grateful, too, that our bargaining agents are collaborating with management.

Together, we are shaping a Canada Post that Canadians can take pride in as a leader in these regards.



S. Sanatani

Suromitra Sanatani, LL.B., ICD.D
Chair of the Board of Directors

Message from the President and CEO

We're just getting started – and we're committed to making strong progress

Canadians have a special connection with their postal service. It has to do with our presence across the country, our people, and the vital role we play. We connect people with one another, put the items they want and need in their hands, and help businesses grow.

We value the important role we play every day, recognizing the strength of our relationship with Canadians is shaped by more than delivery. Canadians want their postal service to do the right thing when it comes to safety, reducing our environmental impact, building an inclusive workplace – and a whole lot more. Our employees place a high value on these things, too.

This report captures the progress we're making on our environment, social and governance responsibilities. We're putting strategies in place, making investments, building positive momentum – and we're just getting started.

Let's start with our top priority – safety. During the COVID-19 pandemic, we've worked hard to keep our people and the communities we serve safe, even when it means an impact on service. We followed the guidance of the Public Health Agency of Canada, and worked closely with local public health authorities. I'm extremely grateful to our frontline team leaders and employees in Operations. They kept their sharp focus on safety as we adopted an unprecedented number of new protocols and processes in quick order. They also made incredible progress in reducing the number of injuries among our employees. We are now working on a multi-year safety strategy to reduce injuries even further.

We deliver to every address in a vast country, which means we have a considerable environmental impact. We must do our part for sustainability and intend to do so.



Doug Ettinger
President and CEO, Canada Post

Our new Environmental Action Plan summarizes our goals around climate action, zero waste, sustainable delivery and engaging our people to take action on the environment. The work of creating a greener, more sustainable Canada Post is already underway: We're upgrading our fleet with hybrid, low-carbon and zero-emission vehicles and designed a major new sorting facility to be net-zero carbon ready. We've begun to move toward a low-carbon future. Most important of all, we're moving forward in partnership with our bargaining agents.

The strength of Canada Post is the network of incredible people dedicated to serving their customers and communities every day. It's therefore important we do everything we can to be a welcoming, diverse and inclusive employer of choice. In early 2020, we launched a Joint National Equity and Diversity Committee with the national presidents of our bargaining agents. As well, we jointly launched an Anti-Racism Action Plan. We're investing resources, training and supporting people, and increasing representation of racialized employees.

I'm also extremely proud that we were the first Crown corporation to launch an Indigenous and Northern Reconciliation Strategy. It commits us to taking concrete action to renew our long-standing relationship with Indigenous and Northern communities. It includes initiatives to improve postal services, increase procurement from Indigenous-owned companies, and do better on Indigenous employment and retention.

In all these areas, we've got a lot of work ahead, but we're committed to making strong progress. Our responsibility to the country goes far beyond the items we deliver. I'm very excited by the potential we have to break from the pack and show leadership that will help strengthen the communities we serve and the country we proudly call home.



Canadians want their postal service to do the right thing when it comes to safety, reducing our environmental impact, building an inclusive workplace – and a whole lot more.

About this report



Materiality

Our 2020 Sustainability Report is informed by a preliminary materiality evaluation undertaken over the past year. This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option.

With the support of third-party expertise, Canada Post conducted an interim materiality assessment to validate our environmental, social and governance (ESG) priorities. We intend to work with stakeholders directly in subsequent materiality assessments.

To understand how each topic could affect our business, the environment and Canadians, we analyzed leading ESG frameworks and conducted a peer benchmarking analysis. Based on its results we developed a list of 29 ESG topics. We then used a structured approach – including surveys and workshops with our senior leadership – to rank stakeholder interest and business impact on a materiality matrix.

Our assessment considers both how important a topic is to Canada Post's stakeholders, and the significance of the topic's potential business, economic, social or environmental impact.

The ESG topics identified as most relevant to Canada Post are:

1. Environment
2. Social capital
3. Human capital
4. Business model and innovation
5. Leadership and governance

The top material topics have been grouped into five key themes that drive the content, structure and scope of our reporting: **our people, our communities, our business, our customers** and **our planet**.

Canada Post's key stakeholders are, in no particular order:

- Canadians
- Communities
- Bargaining agents
- Government / regulators
- Partners and suppliers
- Employees
- Business customers
- Financial community
- Board of Directors

We look forward to engaging them directly in our 2021 materiality process.



Canada Post at a glance

6.3 BILLION
PIECES of mail,
parcels and
messages
delivered



Over

68,000
EMPLOYEES

Paid full-time
and part-time
employees, including
management,
temporary, casual
and term employees

389 MILLION



Parcels



Processing plants

6,026



Post offices

474



Depots

3.3 BILLION



Pieces of direct
marketing

21,713



Street letter boxes

More than

2.5 BILLION



Pieces of
transaction mail






More than

22,500

Delivery routes
in urban, rural and mail
service carrier



UN Sustainable Development Goals

Goal	Target(s)	Our contribution
	3.6 By 2020, halve the number of global deaths and injuries from road traffic accidents.	Our focus throughout 2020 was on strengthening our safety culture, improving collaboration with our bargaining agents, reducing injuries and preventing incidents of workplace harassment and violence.
	5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.	We recognize the relationship between gender diversity and corporate performance and seek to achieve a diverse workforce through our Diversity and Inclusion Strategy. Our Board of Directors currently has 44 per cent female membership (including the Chair) and our senior management is 40 per cent female.
	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix.	We installed a thermal solar wall to provide passive ventilation air heating at one of our main head office campus buildings, entered into renewable energy power-purchase agreements and are building a highly energy-efficient, net-zero carbon facility with efficient HVAC and solar PV.
	8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.	We remain committed to developing and facilitating processes that improve relationships with our unions, who represent roughly 95 per cent of our employees. It was of the utmost importance in 2020 that Canada Post maintain open and forthright co-ordination of action plans with all of our bargaining agents to support employee safety and service to Canadians during the COVID-19 pandemic.
	9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.	We focused on shifting our transportation systems to be more sustainable over the long-term, increasing the number of hybrid vehicles in our fleet, from 379 in 2019 to 732 in 2020, with this number set to grow even more as we work towards our vision of net-zero emissions by 2050.
	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.	We have set a zero-waste target for 2030 and diverted 73 per cent of our waste during 2020.
	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.	In 2020, Canada Post approved an ESG Procurement Strategy that will embed ESG in all facets of our procurement processes and ensure our procurement is conducted in an ethically, environmentally and socially responsible manner.
	13.2 Integrate climate change measures into national policies, strategies and planning.	As a Crown corporation, we are working to align our strategy with that of our shareholder – the Government of Canada – by committing to net-zero emissions by 2050, disclosing our emissions annually, and adopting the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). In 2020, we conducted our first TCFD climate risk assessment. In doing so, we seek to understand and address the impacts of climate-related risks and opportunities for the Corporation and the community.

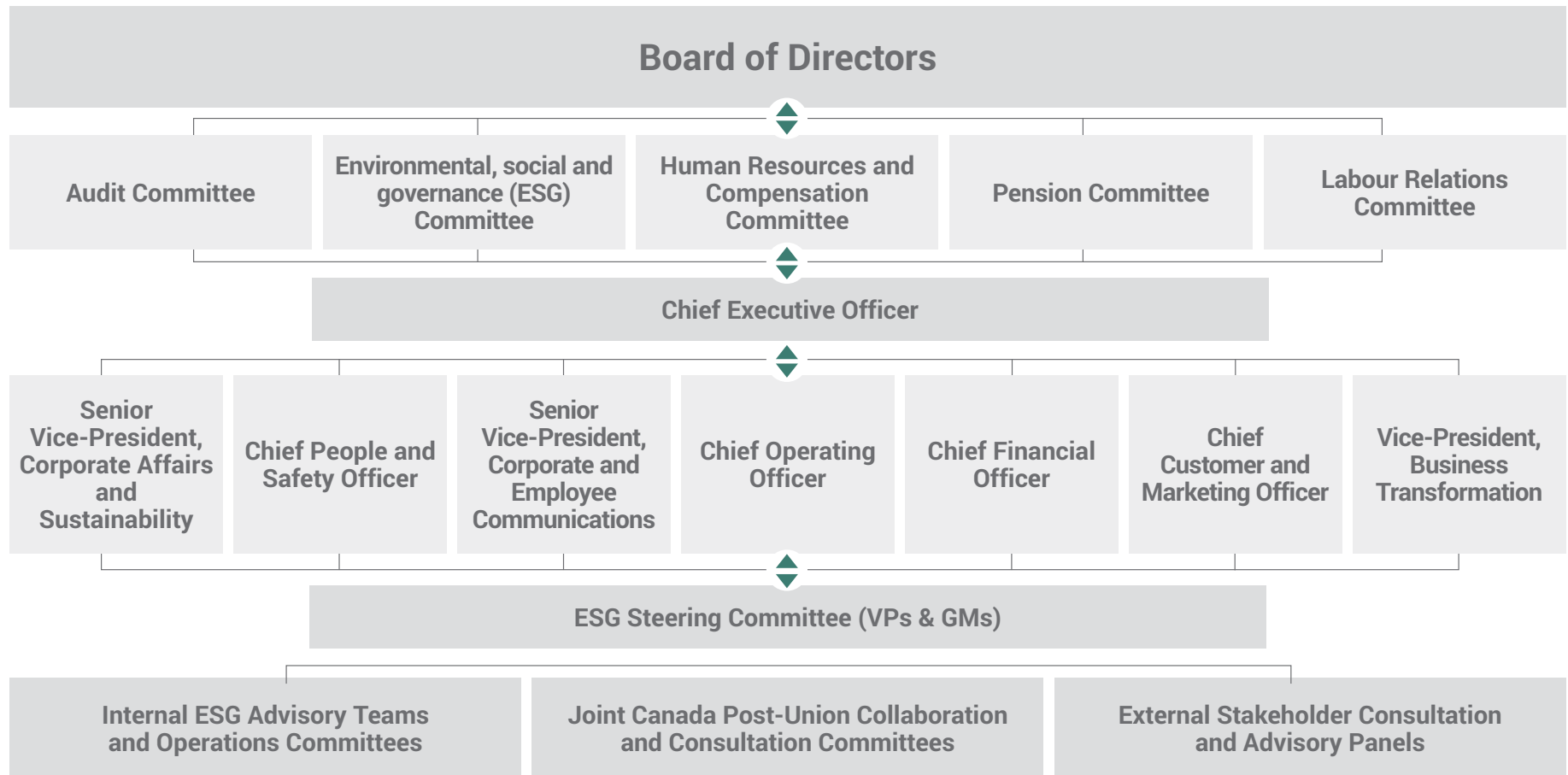


Delivering mail, direct marketing and parcels in Canada and around the world has a significant impact and comes with responsibilities that extend beyond delivery. We have embedded sustainability in our business strategy and we strive to have a positive impact – in all the communities we serve.

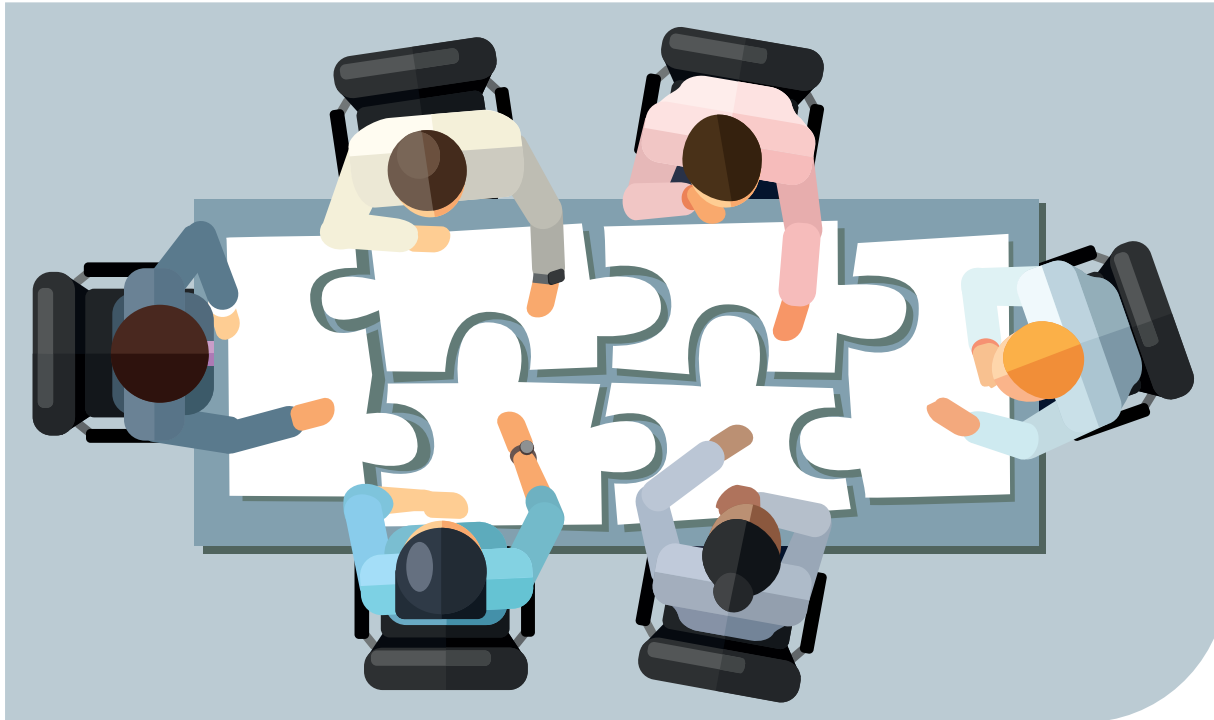
The UN Sustainable Development Goals (SDGs) provide a roadmap of 17 goals that align the world on a sustainable path to 2030. They address economic, social and environmental challenges, including poverty, inequality, climate change, environmental degradation, peace and justice.

We have focused on seven main goals where we have the greatest direct influence and impact, to ensure that we are making a meaningful and transparent contribution to the SDGs. In the table to the left we have identified the targets we will be working to report progress against in future years and a summary of contributions made so far.

ESG governance



Leadership and governance



The Corporation has several mechanisms in place to assess and manage sustainability risk, opportunities, programs and investments. The Senior Vice-President, Corporate Affairs and Sustainability is responsible for both assessing and managing sustainability risks and opportunities, including those related to climate.

The Canada Post Board of Directors and its committees oversee the company's ESG initiatives. All of 2020's Board meetings were held virtually in 2020 due to COVID-19.

The Board's Environmental, Social and Governance (ESG) Committee is responsible for the full scope of ESG issues at the Board level. It focuses on corporate governance and oversees policies, programs, practices, procedures and performance with respect to corporate sustainability. The Committee consists of the Chair of the Board of Directors and two other directors.

The Corporation has several mechanisms in place to assess and manage sustainability risk, opportunities, programs and investments. The Senior Vice-President, Corporate Affairs and Sustainability is responsible for both assessing and managing sustainability risks and opportunities, including those related to climate. The team oversees how we prioritize and align sustainability issues across the company. It reports regularly to our Management Executive Committee and Board of Directors on performance.

Our ESG Steering Committee is a cross-functional group of executives responsible for the implementation of ESG at Canada Post. It helps to align our ESG strategies, investments, and timelines and review recommendations from a number of advisory and technical teams, including Canada Post's own Corporate Sustainability and Environmental Policy team.

Key stakeholders are consulted on their perspectives on ESG issues before management makes decisions. We engage in ongoing dialogue through meetings with internal working groups, joint committees and external advisory panels, including the external Accessibility Advisory Panel. Senior management also receives advice and feedback from ongoing stakeholder consultation and collaborative efforts with joint union committees as well as external subject matter experts, which include non-profit organizations.

Responsible investment

The Canada Post Registered Pension Plan is integrating ESG into its investment strategy while keeping a focus on returns for our employees.

During 2020, the pension investment team laid the foundation for its responsible investment strategy, which has three key pillars:

- 1. Integration** – We will work to incorporate ESG issues into our investment strategy, analysis and decision-making.
- 2. Engagement** – We will engage with companies on ESG issues, and expect our asset managers to engage as well.
- 3. Advocacy** – We will advocate for policies and practices that support a more sustainable and inclusive future.

We have updated our Statement of Investment Policies and Procedures to clarify that ESG issues will be incorporated into our investment process to support long-term value creation. All new investment mandates are now subject to an ESG due diligence process.

The Defined Benefit (DB) component of the Pension Plan has over \$1 billion (or 69 per cent of our commercial real estate portfolio) invested in buildings that have Leadership in Energy and Environmental Design™ (LEED®) or BOMA BEST (Business Owners and Managers Association) ratings. In our infrastructure portfolio, we have \$221 million invested in renewable energy (18 per cent of the portfolio), of which \$127 million is in wind power, \$43 million in hydroelectric power, \$37 million in solar power and \$14 million in energy from waste.

Our Pension Plan also became signatory to the United Nations-supported Principles of Responsible Investment (PRI) and became a member of the Responsible Investment Association (RIA) of Canada. This made us part of an international network of investor signatories who incorporate ESG factors into their investment and ownership decisions.

For 2021, the pension investment team has two strategic focus areas: i) develop a strategy to understand and manage climate change-related risks in the Pension Plan, and ii) be an advocate for diversity, equity and inclusion among our portfolio companies and asset managers. The aim of our responsible investment strategy is to drive the long-term health and performance of the Pension Plan in a manner that is aligned with Canada Post's corporate sustainability goals.

“Factors such as climate change and diversity and inclusion are increasingly part of the way companies are valued. It is important for us to be actively engaged on these topics as they will not only have an impact on the world around us, but also on the investment returns we need for our pension fund.”

Irshaad Ahmad, Vice President Pension Funds and Chief Investment Officer

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Regulatory context

As a federal Crown corporation, Canada Post is bound by legislation, regulations and the *Canadian Postal Service Charter*. These define our services, guide our decisions and preserve our high standards of corporate responsibility. Our services are also regularly audited to ensure we meet our statutory obligations and uphold our commitment to Canadians. The *Canadian Postal Service Charter* guarantees that postal services remain universal, affordable, reliable, convenient, secure and responsive to Canada Post's customers. The *Canada Post Corporation Act* (the Act) obliges Canada Post to provide a high-quality postal service that meets the needs of Canadians, to operate in a secure manner and to be financially self-sustaining.

The Act also obliges Canada Post to deliver certain public policy programs on behalf of the Government of Canada. These include our Government Mail program and our program for providing free postage on all materials for the use of persons who are blind. Canadians who are blind and many libraries across the country, including that of the Canadian National Institute for the Blind (CNIB), send talking books and other materials free of charge across Canada and around the world. In 2020, we delivered over one million items used by persons who are blind.

Our library materials service offers reduced postage rates for eligible library materials circulated between a library and its patrons, including via inter-library loans. Canada Post receives no appropriation or compensation of any kind from the government to offset this reduced postage rate. In 2020, over 500,000 shipments of library materials benefited from the reduced postage rates for library materials.

We also offer free delivery of letters and Regular Parcels to members of the Canadian Armed Forces deployed overseas during the holiday season. Since its inception in 2006 we have delivered more than 158,000 parcels and, in 2021, will expand the program to deliver letters for military families for free.

Thanking our people



During the COVID-19 crisis, our people worked incredibly hard to serve Canadians. We wanted to say thank you in a way that's unique to Canada Post, a way that recognizes our employees' contribution to the country and this unprecedented moment in history.

So we created a special stamp and a hand-painted enamel pin, just for our employees. The truck represents every Canada Post employee and their service to Canadians. The trucks were a consistent, familiar and comforting presence at a time when nothing else was. And during the crisis, the rainbow has become a global icon of solidarity, hope and strength. It reflects all that our people inspired and exemplified during this difficult time.

Together, the truck and the rainbow stand for everything our people achieved.



Most-trusted brand

When this extraordinary COVID-19 period began, and physical stores closed, we realized how essential the safe delivery of online orders would become to Canadians. Unprecedented volumes of parcels, combined with necessary safety measures, such as physical distancing in facilities that were never designed for it, put our infrastructure and people to the test. Our people stepped up to the challenge – processing and delivering more parcels than in any period of Canada Post's history. They did so while keeping their colleagues, our customers and Canadians safe.

Earlier in 2020, the Gustavson School of Business at the University of Victoria surveyed Canadians to see if their experience during COVID-19 had changed their views of Canada's top brands. One brand stood out – ours! Canada Post received the highest scores when it comes to honest communication and care for societal well-being. It is very gratifying that in such a trying time for the entire country, Canadians placed such high trust in us.

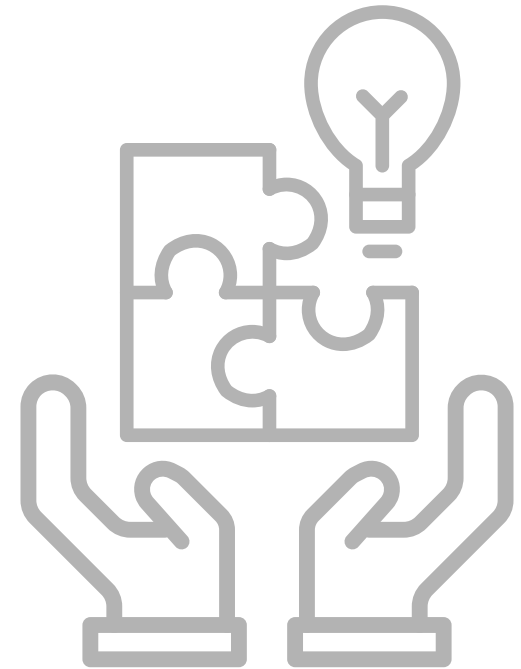


Responsible procurement

We understand the importance of embedding ESG in our business practices and ensuring our supply chain partners are aware of our sustainability requirements. In 2020, we worked with a third party to benchmark the ESG aspects of our procurement practices against other Crown corporations, private sector peers and national postal agencies. This helped us identify priorities and draw a roadmap for responsible procurement, which was approved by the Board of Directors in 2020.

Our initial areas of focus include diversity, accessibility, waste and ESG risk management with a view of reducing GHG emissions in our supply chain.

The Board also approved the Corporation's first Indigenous and Northern Reconciliation Strategy. One of its objectives is to increase the engagement of Indigenous-owned businesses in our procurement process. We formally adopted a target of buying five per cent of procured goods and services from Indigenous-owned suppliers or subcontractors, consistent with recommendations by the Canadian Council for Aboriginal Business. Work has begun on developing policies and guidelines in preparation for implementing a fully operational program in 2021.



Sustainable Mail Group

This year, Canada Post participated in the creation of the Sustainable Mail Group (SMG). This group includes industry leaders across all medians of direct mail, and aim to define and promote the concept of sustainable mail and an environmentally conscious mail industry.

Direct Mail

In 2020, Canada Post continued to work with the direct mail industry to identify alternatives and innovations to aid in the reduction of plastic throughout the mail industry. We look to put the knowledge gained from 2020 into action in 2021 by hosting workshops with industry leaders and groups like the SMG in order to develop joint strategies aimed at helping reduce the industry's use of plastic in mail. We will continue to provide thought leadership to our customers to educate them on best practices when creating and executing a direct mail campaign.

We also developed and launched the Smartmail Marketing™ Partners Environmental Award, celebrating sustainability leadership in all aspects of direct mail. The award was presented to Marketing Kitchen at Canada Post's virtual Partners Conference in February 2021 for their work in reducing the quantity of poly-bags in their mail products by 230,000 pieces.

In 2021, we will measure the volume of single-use plastics for all categories of commercial mail. These insights will help us take advantage of additional opportunities to influence the selection of more sustainable materials. We will also publish an online informational hub to share best practices with the industry and our customers about sustainable mail.

TARGET *Engage customers and industry on environmental and sustainable best practices for parcels and mail through thought leadership.*



The Sustainable Mail Group was created to promote sustainability within the mail system.

™ Trademark of Canada Post Corporation.

Innovation

We are continually piloting innovations that enhance safety and improve efficiency. Recent advances in technology have led to the development and piloting of practical and economical automated guided vehicles for material handling. These autonomous vehicles were tested at our Toronto mail sorting facility, moving monotainers (large metal cages used for transporting mail items) and pallets using predetermined paths and intelligent collision avoidance systems. Early findings show significant potential for improved safety.



Automated guided vehicles navigate our facility floors, transporting heavy materials and helping keep our people safe.

Safety

Operational safety

Keeping our employees safe is our top priority. We are committed to identifying, preventing and controlling hazards. Our focus throughout 2020 was on strengthening our safety culture, improving collaboration with our bargaining agents, reducing injuries, preventing incidents of workplace harassment and violence, and remodeling road safety. As the COVID-19 pandemic emerged early in the year, we intensified our focus on keeping employees and Canadians safe from the virus. We executed our corporate pandemic plan in late January and a multi-function research and response team was engaged to ensure accurate, concise, clear direction and guidance during this period of uncertainty.

COVID-19 response

Since early 2020, we've worked hard to keep our people safe during the pandemic. We followed the guidance of the Public Health Agency of Canada, and worked closely with local public health authorities and teams. We implemented and updated safety protocols, and consistently enforced them. They include physical distancing in our operations, which meant redesigning work centres. Masks were made mandatory throughout our network and provided to all employees, and cleaning and sanitization increased. We required employees to conduct a self-assessment before coming to work. We also changed delivery methods to reduce contact with customers at the door. Management and administrative employees who could work remotely were asked to do so in March of 2020 and continued to do so into 2021.

Whenever we learned that someone who worked in our facility had contracted COVID-19, we acted promptly and in alignment and full compliance with the direction from public health officials. We informed our unions and employees, and cleaned and sanitized equipment and spaces as needed.

Analytics

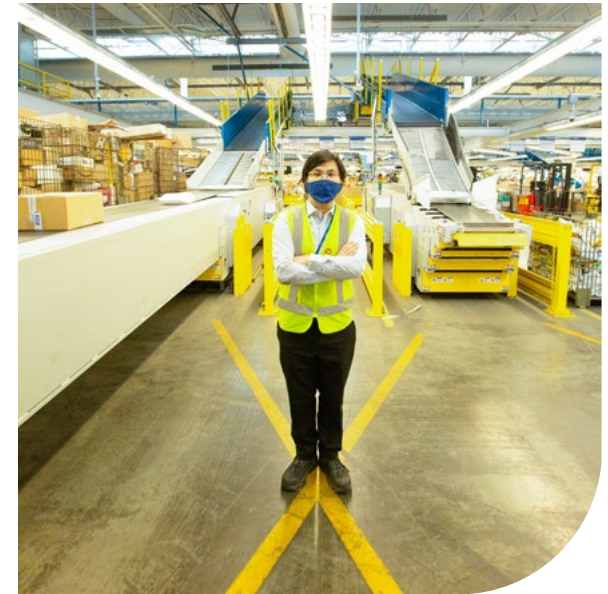
The Safety and Analytics Dashboard was improved in 2020 by adding motor vehicle collision data to the existing dashboard. Violence in the workplace was added to the dashboard in early 2021. The dashboard is updated weekly and provided to senior leaders and Operations leaders.

Tools

Our Make it safe, make it home program continues to be the main source of safety information for our employees, including about COVID-19.

Company-wide safety rules were launched at the end of the third quarter of 2020. Other tools that continue to be used include:

- Safety Leadership Assessment tool;
- Workplace Hazard Prevention Plan tool; and
- Local Joint Health and Safety Committee Assessment tool.



Our focus throughout the pandemic has been strengthening our safety culture. Above, a Canada Post employee follows proper safety precautions.

Training

When the pandemic was declared in March of 2020, the need to deliver safety training was critical if Canada Post was to keep employees safe. Comprehensive safety protocols were defined in a collaboration between the Health and Safety and Learning and Development teams, with input from the National Joint Health and Safety Committee. These protocols respected the guidance of the Public Health Agency of Canada. They covered sanitation, physical distancing and use of appropriate personal protective equipment in classrooms, in post offices and depots, at customer sites and in plants and in vehicles. Implementing these guidelines enabled us to train delivery agents, plant processing employees and retail clerks to serve Canadians safely as parcel volumes grew to unprecedented levels.

Make it safe, Make it home

Our Make it safe, Make it home site on Intrapost, our corporate intranet, is the main source of safety information for our employees. In 2020, we redesigned it to give COVID-19 messaging more prominence. We produced dozens of new talk tracks, job aids and videos, as new processes were introduced to keep our people safe. We added Frequently Asked Questions and team leader incident alerts advising of serious workplace incidents or close calls, as well as leadership assessment, hazard prevention and safety committee assessment tools. Excluding COVID-19 messaging, we produced more than 70 new training videos, guides and job aids for the site.

Safety rules

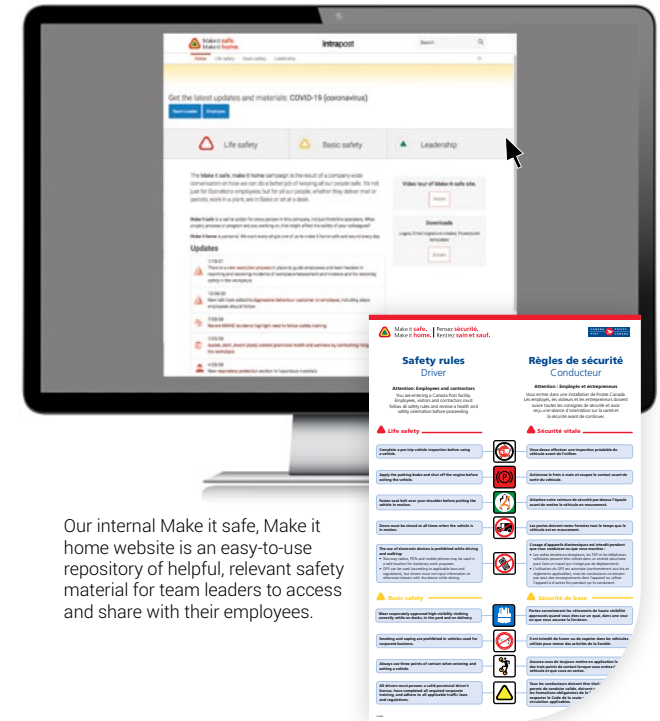
We also revised company-wide safety rules. They are now easier to understand and provide clear guidelines on protective equipment to wear, safety procedures to follow and behaviours that won't be tolerated. Rules were rewritten for processing plants, driving, delivery, in the yard, and for engineering and maintenance.

Combatting aggressive behaviour

When aggressive behaviour toward retail employees climbed in October, we introduced a major campaign to reduce the trend. We shared a new Workplace Harassment and Violence Prevention Policy, introduced new mandatory violence and harassment prevention training; and implemented a new process for reporting and resolving incidents.

Awake, Alert, Aware

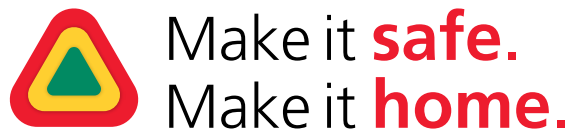
With our employees working huge hours to keep pace with volumes, Canada Post leadership expressed their concern and, in July, challenged Local Health and Safety Committees to devise ways to combat fatigue and to remind everyone of the dangers of exhaustion. A total of 87 teams participated in the voluntary Awake, Alert, Aware contest that resulted in four new initiatives: employee appreciation stations; ad hoc wellness checks; morning stretches; and a burnout prevention plan.



Our internal Make it safe, Make it home website is an easy-to-use repository of helpful, relevant safety material for team leaders to access and share with their employees.



Canada Post delivery workers now wear high-visibility vests to maintain safety on their route.



Vehicle safety



In 2020, our corporate fleet of over 13,000 vehicles, along with more than 7,000 private vehicles used by Rural and Suburban Mail Carriers (RSMC), travelled almost 198 million kilometres. There were 2,412 collisions reported throughout the year, a decrease of 11 per cent compared to 2019. Any contact with another vehicle or object is considered a collision. Of all collisions, just under five per cent resulted in an injury to an employee, compared to seven per cent the year before.

The commercial fleet risk-reducing pilot project continued into 2020, continuing to focus on driver safety. This pilot program has had tremendous success and the lessons learned have been essential to the growth and development of our new safety programs.



Fatalities

Safety is our top priority, and includes the safety of the millions of Canadians who share the roads with our employees. In 2020, one of our on-call relief employees lost his life in a motor vehicle accident during his delivery route. Losing a colleague is extremely difficult. This also forces us to stop and think about the safety of the thousands of our employees whose job it is to serve Canadians by driving to deliver mail and parcels.

Snowflake boot program

While slip, trip and fall injuries occur throughout the year, winter brings more hazards. Our snowflake-rated boot campaign entered its fourth year in 2020. Canada Post partners with retailers to offer discounts on snowflake-rated boots tested for traction by the Toronto Rehabilitation Institute. We are continuing with our first winter safety orientation training program, and our readiness plan for peak season. These initiatives contributed to reducing slips, trips and falls – the primary cause of injury.



Safety and injury reporting

Total injuries	2018	2019	2020	2020/19 change
Total injuries	5,010	4,632	3,197	↓ 31%
Total injury frequency per 100 employees	11.2	10.1	6.9	↓ 32%

Canada Post and its largest bargaining agent have collaborated on refining an injury reporting methodology for the Sustainability Report, identifying total injuries rather than lost-time injuries. Total injuries are all disabling injuries, defined as any work-related or an occupational illness/disease or health impact for which:

- medical treatment is provided by a "registered health care practitioner" (Provincial) or staff at a "medical treatment facility" (Federal), AND
- which prevent an employee from reporting for work or from effectively performing all the duties connected with their regular work on any day after the day on which the incident occurred, regardless of whether the employee is scheduled to work, or
- results in the loss by an employee of a body member (for example arm or leg) or part thereof (for example fingertip or toe), or
- results in permanent impairment of a body function of an employee.

Motor vehicle collisions (all vehicles)	2018	2019	2020	2020/19 change
Millions of km driven (owned fleet)	98.9	101.8	100.9	↓ 1%
Millions of km driven (RSMC) ¹	95.3	95.9	97.2	↑ 1%
Total collisions ²	2,449	2,697	2,412	↓ 11%

1. Rural and suburban mail carriers.
2. The collision of one or more vehicles with another vehicle, stationary object, pedestrian or animal resulting in injury, and/or asset loss (property damage).

Wellness

In addition to their safety, our employees' mental well-being was especially critical in 2020. Throughout the pandemic, team leaders supported employee well-being by engaging employees in conversation about mental health and wellness. We openly acknowledged that the pandemic created new sources of stress and anxiety. We created safe spaces for dialogue, and reduced the stigma of seeking help.

Many of the employees who were working remotely for months also had to juggle the caregiving and teaching of school-age children who were home during closures. Others helped to care for elderly parents. We made special leave available for employees for child care or elder care responsibilities. As well, in employee communications, we frequently reminded them of the need to Keep Wellness in Mind – as our wellness program is named – and the free 24/7 help available through our Employee and Family Assistance Program. Communications included monthly updates and videos from the President and CEO and other senior leaders, as well as talks by frontline team leaders.

Our **Health and Safety Policy Statement** now recognizes that our employees' and their families' psychological health and well-being is as important as their physical health and safety.

Amendments to our **Workplace Harassment and Violence Prevention Policy** also reflect recent legislative changes and expand on the definition of violence – clarifying that “harassment” and “aggressive behaviour” are actions that will not be tolerated. The new policy also acknowledges that domestic violence may be considered workplace violence if it prevents an employee from safely attending work or if it has impacts on our workplace.

Employee engagement

While COVID-19 reduced face-to-face interaction this year, employees who would normally work in offices pivoted to online interactions, effectively maintaining meaningful discussions and sharing of ideas.

Our 2020 Employee Engagement Survey was distributed to all our employees in fall 2020, seeking their perspective on what is working well and where the Corporation can improve. Our overall survey response rate rose from 18 to 25 per cent and we were pleased to see such a significant one-year increase. More than half of employees indicated they believe Canada Post takes a genuine interest in the well-being of communities in which it does business and 80 per cent believe Canada Post has created a work environment where people of diverse backgrounds can succeed.

Safety continues to be top of mind across the company with a heightened focus as a result of the pandemic. Seventy per cent of employees feel team leaders never compromise their safety in order to meet targets and express confidence that if they raise a concern or an issue about safety, that it will be addressed, an increase in approval of four and five per cent respectively from 2019.

We used this survey to help measure our progress against one of our key environmental targets: to be recognized as an environmentally sustainable employer by 60 per cent of our people by the end of 2022. The Survey showed that 42 per cent of our employees currently see Canada Post as an environmentally sustainable corporation – leaving us with plenty of room for improvement.

Steel-toed boots

It's telling how community-minded our employees can be. When the Pacific Processing Centre's Local Joint Health and Safety Committee did some housekeeping, they ended up with 65 pairs of steel-toed boots that were in good condition – so they donated them to Working Gear. The registered charity in downtown Vancouver provides work clothing at no cost to low-income individuals entering the workforce.



Maureen Chin, (left) and Deanna Ho (right), of the Pacific Processing Plant's Social Responsibility Committee pose in front of donation bins.



Keep **wellness**
in **mind**

Employee equity and diversity

Respectful workplace

We are committed to fostering a safe, diverse and welcoming environment for all employees and customers we serve by ensuring all individuals are treated with dignity, respect and fairness. These values are embodied in our corporate policies, including our Equality in Employment Policy, Duty to Accommodate Policy and our Workplace Harassment and Violence Prevention Policy.

After celebrating Pride Month in June, Canada Post's Ottawa Head Office was lit up in rainbow colours for Capital Pride in August. The Head Office was also lit up on September 30 in commemoration of Orange Shirt Day to recognize survivors of residential schools and affirm our commitment to Indigenous reconciliation.



Canada Post's Ottawa Head Office was lit up in rainbow colours to celebrate the Capital Pride event in August 2020.

Photo: Mitch Lenet/SpyGlass

Our people

We continue to focus on being an inclusive employer of choice by leveraging a diverse talent pool and removing barriers to allow full participation in the work environment.

In 2020, we audited the external canadapost.ca Careers web pages to identify ways to showcase our commitment to equity, diversity and accessibility as we recruit and hire. We also audited existing employee training programs to identify and review learning content and policies related to equity and diversity.

Equity and Diversity Committee

In January 2020, we launched a Joint National Equity and Diversity Committee with representation from the national presidents of all bargaining agents. The Committee met 13 times in 2020, with the goal of co-creating sustainable, meaningful change in the workplace.

The Committee focuses on education, processes, policies and programs and provides support to advance equity and diversity at Canada Post.

In a joint statement with its bargaining agents, Canada Post launched its **Anti-Racism Action Plan**. The plan includes:

- **Investing resources** to equity, diversity and accessibility programs; expanding the work of the Joint National Equity and Diversity Committee; and establishing an anti-racism Employee Resource Group to explore problems and recommend solutions.
- **Deploying training, awareness and support tools** including providing Unconscious Bias training; creating a Safe Space Toolkit to promote more inclusivity; and having a dedicated diversity contact email to confidentially raise issues around racism.
- **Increasing representation:** Fostering talent development with racialized employees; dedicating co-op and summer student positions and student grant programs for racialized students; and working with our vendors and the Procurement team to increase representation within our suppliers.

The Committee is dedicated to fostering a workplace of trust and respect that embraces and celebrates differences. We are committed to equity and diversity throughout the organization. The Anti-Racism Action Plan will build a stronger foundation for a more respectful workplace along with access to equal opportunities for all our employees.

Through employment equity practices, we are committed to creating a workforce that reflects Canada's diversity, to better serve our customers and communities, and ensure we remain an employer of choice. In 2021 Canada Post will implement its Corporate Employment Equity Plan (2021-2023) which seeks to build a work environment where everyone feels welcomed and valued.

Equity and Diversity Committee statements of purpose

Vision:

We will represent Canada's diversity and provide a safe and welcoming workplace that embraces and celebrates our differences.

Mission:

We value diversity as an essential part of who we are as a company, how we operate and how we see our future. We believe that attracting, developing, and retaining people who reflect the diversity of Canada is essential to our success because this matters to all communities and customers we serve.

Workplace Equity Information Management System (WEIMS), Government of Canada

Overall workforce	2018	2019	2020	Change in 2020/19 result	CLMA ¹
Women	49.0%	48.6%	45.9%	↓ 2.7%	49.3%
Indigenous Peoples	2.4%	2.4%	2.4%	0.0%	4.0%
Persons with disabilities ²	3.5%	3.6%	3.8%	↑ 0.2%	11.5%
Visible minorities	19.6%	19.9%	22.0%	↑ 2.1%	19.8%
Senior management	2018	2019	2020	Change in 2020/19 result	CLMA ¹
Women	40.0%	40.8%	40.3%	↓ 0.5%	27.6%
Indigenous Peoples	0.0%	0.0%	1.5%	↑ 1.5%	3.2%
Persons with disabilities ²	3.9%	5.2%	5.4%	↑ 0.2%	5.0%
Visible minorities	7.1%	7.0%	10.4%	↑ 3.4%	11.5%

Source: Workplace Equity Information Management System (WEIMS), Government of Canada, excludes employees who have worked less than 12 weeks. Total workforce base: 63,713 employees.

1. Canadian Labour Market Availability (CLMA) rates are derived from 2016 Census of Canada Data based on the 2016 National Household Survey and the 2017 Canada Survey on Disability.
2. Per ESDC, statistics for persons with disabilities at the Senior Management level (Employment Equity Occupational Group [EEOG] senior managers EEOG 1) are combined with that of EEOG 2, middle and other managers.

Workforce Analysis (WFA), Operational Report

Overall workforce	2018	2019	2020	Change in 2020/19 result	CLMA ¹
Women	49.3%	49.0%	48.3%	↓ 0.7%	49.3%
Indigenous Peoples	2.4%	2.5%	2.5%	0.0%	4.0%
Persons with disabilities	3.5%	3.7%	3.9%	↑ 0.2%	11.5%
Visible minorities	19.6%	20.0%	21.2%	↑ 1.2%	19.8%
Senior management	2018	2019	2020	Change in 2020/19 result	CLMA ¹
Women	40.0%	40.8%	40.3%	↓ 0.5%	27.6%
Indigenous Peoples	0.0%	0.0%	1.5%	↑ 1.5%	3.2%
Persons with disabilities	4.3%	5.6%	6.0%	↑ 0.4%	5.0%
Visible minorities	7.1%	7.0%	10.4%	↑ 3.4%	11.5%

Source: Workforce Analysis Report, includes employees who have worked less than 12 weeks in a calendar year. Total workforce base: 70,330 employees.

In order to advance the Equity and Diversity Strategy and increase representation, Canada Post is leveraging the Workforce Analysis Quarterly Report as an operational report to reflect its overall workforce representation rates. The report allows for additional breakdown to show operational realities, regional differences, and breakdown by bargaining unit.

For senior management representation, unlike the WEIMS report which combines EEOG 1 (senior managers) and EEOG 2 (middle and other managers) for persons with disabilities, this operational report only reflects EEOG 1 senior managers (6.0%), which is defined in the EEOG as General Managers and above.

Equity and Diversity Strategy

Equity attraction (initiatives to attract and hire candidates from equity designated groups) is a key pillar of our new Equity and Diversity Strategy. In 2020 we:

- **Developed equity special measures** in collaboration with the Canadian Human Rights Commission to implement preferential hiring to prioritize the recruitment of underrepresented candidates, for Indigenous Peoples and persons with disabilities, in regions well below the Canadian Labour Market Availability rate (CLMA).
- **Established multi-year employment equity targets** to increase representation of persons with disabilities and Indigenous Peoples at Canada Post.
- **Conducted audits of processes** to address recruitment barriers.
- **Reviewed our accommodation process** throughout the full employee life cycle.
- **Secured partnerships** to provide strategy advice, diversity benchmarking and training to our employees and identify systemic barriers.

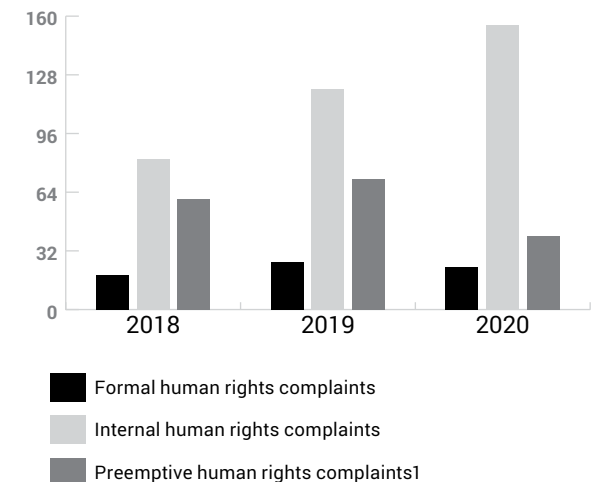
To support equity retention we:

- **Deployed unconscious bias training** to more than 500 senior leaders and Human Resources professionals, with plans to deploy to all team leaders over the next 12 months.
- **Created a diversity email inbox** to give voice to employee concerns and recommendations.
- **Established three employee resource groups** (Anti-Racism, Indigenous Peoples and Persons with Disabilities) with members from all unions and regional Human Resources, to be launched in 2021.
- **Developed a joint equity census strategy** with all bargaining agents to encourage employees to declare when they are a member of one of the employment equity designated groups. The campaign was launched in April 2021.
- **Piloted a new tool to increase visibility** of diverse candidates on succession ladders to further develop and foster career opportunities for employees identified amongst the four equity groups. The use of the tool will be expanded nationally in 2021 upon receiving consent from the employees from those groups.

Human rights

We train all employees on human rights, employment equity and respectful workplace practices. Due to the pandemic, delays were experienced with face-to-face Human Rights training in some regions where classroom training was suspended. As a result we are working with our bargaining agents to define an alternative training approach to address this gap. This training helps to raise awareness of employees' rights, roles and responsibilities and contributes to a respectful workplace. When employees have human rights concerns on one of the protected grounds, they are able to raise them through our internal resolution process or with the Human Rights Commission.

Human rights and harassment complaints



1. Preemptive complaints are received by the Canadian Human Rights Commission but deferred to Canada Post internal resolution processes

Labour relations

We remain committed to developing and facilitating processes that improve relationships with our bargaining agents, who represent roughly 95 per cent of our employees. Building alignment with our bargaining agents is imperative as we develop solutions to better serve Canadians' changing needs. We continue to pursue new models of collective bargaining in our current negotiations with the Association of Postal Officials of Canada (APOC) and prepare to negotiate with the Canadian Union of Postal Workers (CUPW) in 2021.

In June 2020, Canada Post received a comprehensive final decision from Arbitrator Elizabeth MacPherson for new collective agreements with the CUPW for both the Urban and Rural & Suburban Mail Carrier (RSMC) bargaining units. Implementing the decision continued throughout 2020. One unresolved issue remains within the binding arbitration process.

In May 2020, Canada Post and the Public Service Alliance of Canada/Union of Postal Communications Employees (PSAC-UPCE) completed a new collective agreement in a unique round of expedited bargaining. It will remain in effect until 2024.

It was of the utmost importance in 2020 that Canada Post maintain open and forthright co-ordination of action plans with all of our bargaining agents to support employee safety and service to Canadians during the COVID-19 pandemic.

Grievances

In 2020, filed grievances decreased for a fourth straight year, and were significantly affected by the pandemic's impact on regular business, with all parties aggressively focused on COVID-19 protocols, to the exclusion of normal grievance activity. This is also the ninth consecutive year in which pending grievances have decreased.

Grievances	2018	2019	2020	2020/19 change
Filed	15,102	14,777	12,256	↓ 17%
Pending	29,300	25,918	22,299	↓ 14%



Building alignment with our bargaining agents is imperative as we develop solutions to better serve Canadians' changing needs.

Sustainability targets

In 2020, we established environmental priorities grouped under four pillars. This work will focus our environmental ambitions over the next decade.



Climate action

- Develop a climate strategy and signature target in line with our long-term vision of net-zero emissions by 2050.
- Prioritize alternative propulsion vehicles as we progressively renew and grow our fleet.
- Design and build new buildings to be net-zero carbon-ready.
- Establish a long-term plan to reduce GHG emissions from buildings across the real estate portfolio.
- Implement initiatives to reduce emissions from scope 3 vendors, rural fleet, employee conveyance and business travel.



Zero waste

Signature target: Divert at least 90 per cent by weight of non-hazardous operational waste by 2030 and 90 per cent of all construction and demolition waste by 2030.

Eliminate the unnecessary use of single-use plastics in head office, corporate events and meetings by 2020 and in Canada Post operations by 2022.

- Conduct waste audits and surveys at key facilities.
- Establish waste diversion targets for key facilities and track performance.
- Track and log materials diverted from landfills.
- Pilot reuse strategies in operations.
- Phase out unnecessary single-use disposable plastic from all Canada Post activities, events and operations.
- Work with major vendors on disclosure of environmental performance.



Sustainable delivery

Signature target: Implement and promote sustainable solutions for parcels and mail (material selection, packaging and shipping) by 2022.

- Reduce the environmental footprint of our retail and e-commerce packaging by sourcing more sustainable materials and phasing out plastic film.
- Engage customers and industry on environmental and sustainable best practices for parcels and mail through thought leadership.
- Test and act on market interest for carbon neutral shipping, low carbon shipping and circular economy solutions.
- Develop partnerships to reduce plastic packaging waste and plastic in the mail stream, ease urban congestion and support sustainable cities.



Engagement

Signature target: Canada Post is recognized as an environmentally sustainable employer by 60 per cent of its people by the end of 2022.

- Engage our people on taking climate action.
- Empower our people with the tools and training to make responsible decisions that reduce Canada Post's environmental footprint.
- Build pride and culture through participation in local environmental initiatives and collective activities.
- Communicate our progress regularly to our people to increase awareness.

Climate action

As a delivery company that operates one of Canada's largest last-mile fleets and plays a major role in international delivery, we have an important role to play in addressing climate change. We are committed to a low-carbon future by achieving significant reductions in greenhouse gas emissions across our network.

Climate target

In 2020, our Board of Directors approved our **target to achieve net-zero emissions by 2050**. In 2021, we intend to make our greenhouse gas reduction targets public.

“Canada Post is well positioned to help lead the way on climate change mitigation and to pursue a low-carbon future. We are applying the full force of our scale, reach and expertise in setting a clear and ambitious path toward significant greenhouse gas reductions.”

Cheryl Hodder, Senior Vice-President, Corporate Affairs and Sustainability

Carbon methodology

In 2020, we worked with a third party to improve our emissions reporting methodology, in part by expanding the scope of our Scope 3 sources that we calculate. As part of this exercise, we recalculated our carbon baseline, selecting 2019 as our baseline year. Our new GHG inventory and boundary (i.e., our business activities included in the carbon footprint) were prepared in accordance with the requirements of ISO 14064-1: 2006, the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard. The business activities consist entirely of Canada Post and Innovapost, where we have operational control. We account for all seven of the GHGs covered by the GHG Protocol (CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, and NF₃) and we do not have biogenic carbon emissions.

We expanded our Scope 3 emissions calculations and began accounting for our emissions from purchased goods and services, capital goods, end of life treatment of sold products and our investments.

Both our 2019 and 2020 emissions were verified by an independent third party, who provided a limited assurance review. This limited assurance review was provided in accordance with the ISO 14064-3:2019 International Standard.

A list of emission factors used in our baseline and 2020 inventory calculations can be **found here**.



Develop a climate strategy and signature target in line with our long-term vision of net-zero emissions by 2050.

Summary of Scope 1 and 2 energy usage (MWh)

	2019 (baseline)	2020
Natural Gas	204,507	184,238
Heating Oil	12,266	11,633
Propane	493	338
Diesel	246	234
Owned Fleet Propane and CNG	1,276	2,107
Owned Fleet Natural Gas and Diesel	275,219	273,315
Electricity	291,262	287,613



GHG emissions by type (kilotonnes of CO₂ equivalents)

Category	2018 (KT CO ₂ e) ¹	2019 (KT CO ₂ e)	2020 (KT CO ₂ e)	2020/19 change
Scope 1	100.4	107.7	104.1	↓ 3.4%
Natural Gas ²	32.5	36.8	33.2	↓ 10.0%
Heating Oil ²	1.0	3.2	3.0	↓ 5.0%
Propane ²	–	0.1	0.1	↓ 31.6%
Diesel ²	–	0.1	0.1	↓ 4.8%
Fugitive Emissions	2.5	0.4	0.9	↑ 138.8%
Owned Fleet Propane and CNG use	0.3	0.3	0.5	↑ 85.2%
Owned Fleet Gasoline and Diesel use	64.1	66.9	66.4	↓ 0.2%

Category	2018 (KT CO ₂ e) ¹	2019 (KT CO ₂ e)	2020 (KT CO ₂ e)	2020/19 change
Scope 2	40.0	34.7	34.2	↓ 1.5%
Electricity	40.0	34.7	34.2	↓ 1.5%

Category	2018 (KT CO ₂ e) ¹	2019 (KT CO ₂ e)	2020 (KT CO ₂ e)	2020/19 change
Scope 3	338.9	1,083.9	1,195.3	↑ 10.4%
Category 1: Purchased Goods and Services	–	176.7	173.4	↓ 1.9%
Category 2: Capital Goods	–	41.5	49.0	↑ 18.1%
Category 3: Fuel and Energy Related Activities	–	29.2	27.5	↓ 5.6%
Category 4: Upstream Transportation and Distribution	278.2	402.5	425.0	↑ 5.6%
Domestic ground	171.5	175.7	205.2	↑ 16.8%
Rail	1.8	1.3	0.0	↓ 100.0%
International outbound air	14.4	36.8	27.3	↓ 25.8%
Domestic air	90.5	188.7	192.5	↑ 2.0%
Category 5: Waste Generated in Operations	5.4	2.8	3.9	↑ 39.0%
Category 6: Business travel ³	8.4	12.5	3.6	↓ 71.0%
Category 7: Employee Commuting	1.9	41.7	44.0	↑ 5.5%
Category 9: Downstream Transportation and Distribution	45.0	32.5	33.3	↑ 2.4%
International Ground	8.3	2.9	3.2	↑ 10.2%
Rural and Suburban Mail Carriers	36.7	25.4	25.8	↑ 1.3%
Combined Urban Services (CUS)	–	4.2	4.3	↑ 3.5%
Category 12: End of Life Treatment of Sold Products	–	0.9	13.3	↑ 1,387.3%
Category 15: Investments	–	342.5	422.4	↑ 30.8%

1. 2018 inventory calculations included in table, but should not be used for comparison purposes as emissions methodology changed in 2020 due to recalculation of our 2019 baseline. Amounts presented are rounded to the nearest million, while related percentages are based on the numbers rounded to the nearest thousands.

2. Covers 98 per cent of Canada Post's total area (square metres), which includes all corporately-owned and operated sites, Innovapost facilities and excludes post offices owned by Post Masters.

3. Air, rail and car rental usage for business travel

Scope 1 and 2 emissions intensity, KT CO₂e per billion dollars of revenue

2018	2019	2020
21.2	21.1	19.9

Scope 1

In 2020, Canada Post's Scope 1 emissions from owned fleet, building heating and fugitive emissions decreased overall by 3.4 per cent from 2019. This came largely as a result of our decrease in the need to heat our office spaces, in part from a milder winter compared to 2019, but also as a result of the need to vacate large office spaces in an effort to keep those who could work from home safe during the global pandemic. Our fleet emissions also decreased slightly overall as a result of increasing our use of propane and CNG vehicles, which have a lower emissions profile. The intensity of those emissions per vehicle is expected to decline year-over-year as we retire older, less efficient vehicles and replace them with new alternative propulsion technologies.

Scope 2

Canada Post's Scope 2 emissions decreased slightly by 1.5 per cent in 2020 as a result of increased energy efficiency, as well as a slight decrease in overall electricity consumption. This slight decrease in electricity consumption is also attributed to the need to vacate large office spaces in an effort to keep those who could work from home safe during the global pandemic.

Scope 3

In 2020, Canada Post saw a 10.4 per cent increase in indirect Scope 3 emissions. At the onset of the global pandemic in March of 2020, international flights were suspended between March and July. Because of this, we saw a substantial decrease of 25.8 per cent in our international outbound air transportation. In 2020, our revenue from our parcel delivery was \$3.4 billion compared to \$2.7 billion in 2019. This increase in mail resulted in more volume shipped domestically through our subcontracted ground transportation vendors, resulting in 16.8 per cent more kilometres travelled in 2020 compared to 2019.

Greening our fleet



Prioritize alternative propulsion vehicles as we progressively renew and grow our fleet.

Hybrid vehicles

In 2020, we continued to grow our fleet of hybrid last-mile delivery vehicles. Despite the supply chain challenges posed by COVID-19, more than 353 new hybrid electric vehicles were added to the fleet. This solidifies our position as the largest alternative propulsion delivery fleet in the country. As we continue to evaluate ways to green our fleet at scale, hybrid-electric technology offers several benefits, including potential deployment across Canada in urban and rural communities. After the success of the deployment of 374 Ford Transit hybrid electric upfits in 2019, in 2020 we expanded our hybrid electric upfits to new step van purchases – targeting vehicle classes that have higher fuel consumption. As well, all new Canada Post processing plants and depots will include increased electrical capacity to accommodate future fleet electric vehicle charging.



Telematics

Deployment of telematics across our owned fleet is a key lever to improve driver safety and reduce our environmental impact. In 2020, over 1,200 vehicles were outfitted with telematics to enable real-time driver feedback, which offers great potential to improve safety and environmental performance.

Zero-emission vehicles

As we continue to test the latest in alternative propulsion technologies, we are excited about the potential of battery-powered electric vehicles. In 2020, we used a competitive tender process to select a mix of fully electric vehicles to be initially piloted in three strategic locations. Electric step vans, shunts and straight trucks have been ordered from a number of suppliers to be deployed in Toronto, Montréal, and Vancouver at the beginning of 2021.

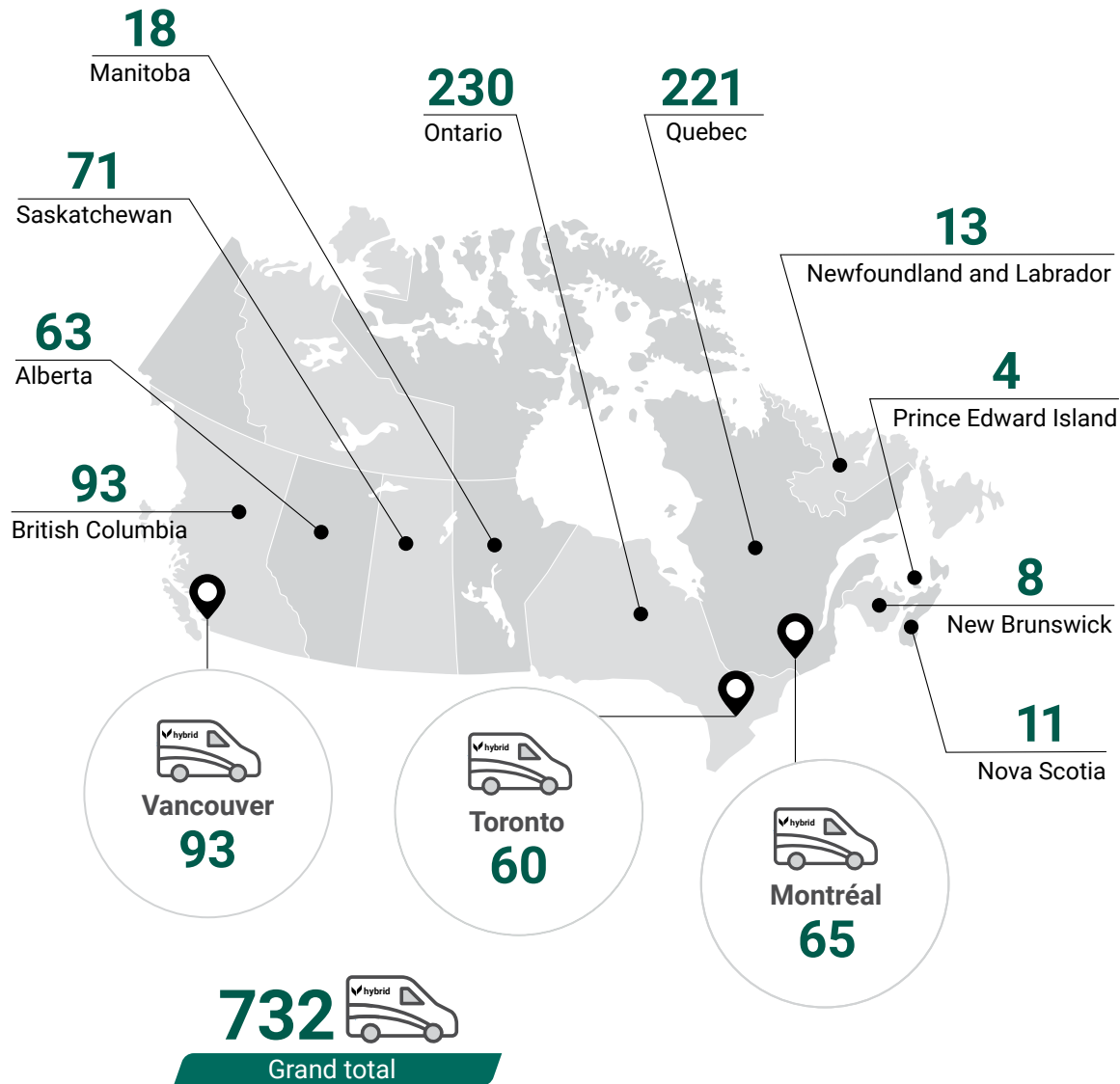
Alternative propulsion vehicles (APVs) in our fleet

Propulsion type	2018	2019	2020	2020/19 change
Battery electric (BEV)	15	1	1	–
Hybrid (HEV + PHEV)	5	379	732	↑ 93%
Low-carbon (Propane and CNG)	125	125	121	↓ 3.2%
Total APVs	145	525	854	↑ 63%
Percentage of APV in corporate fleet	1.1%	3.8%	6.5%	↑ 2.7%



Canada Post has been a member of Electric Mobility Canada since 2019, helping to accelerate the transition to electric fleets across the country.

Hybrid vehicles in service across Canada in 2020



Electric vehicle charging and e-cargo bikes pilots

E-cargo bikes

In 2020, we analyzed structured route data, delivery volumes and geography in a large Canadian city to develop a methodology to assess or identify cost-saving opportunities for delivering our mail products with low-carbon urban delivery vehicles including e-cargo bikes. This analysis will inform pilots in 2021.

Electric vehicle charging for employees

We are encouraging employees to reduce their own carbon footprint by making it possible to charge their electric cars at select employee parking lots.



We're piloting electric vehicle (EV) charging stations for employees at three mail processing plants (Montréal, Toronto and Vancouver), as well as at our head office in Ottawa.

The pilot will assess employee uptake, costs to users, and ease of use. The pilot is designed to inform the installation of additional EV charging stations at other locations and in future building projects.

Renewable energy and energy efficiency



January 2021 photograph shows our new leading-edge Ontario East Processing Centre under construction in northeastern Toronto. A storm water management storage chamber is at the top left.

New construction and major retrofits

We are building a new, leading-edge facility – Canada Post’s Ontario East Processing Centre in Scarborough, Ontario – designed to process up to one million parcels and packages per day.

This new build of 585,000 square feet is targeting Canada Green Building Council’s Zero Carbon Building™ Design certification. It is designed to be a highly energy-efficient, net-zero carbon building with efficient HVAC, solar PV and sensor-controlled light fixtures that dim based on occupancy and daylight harvesting. Electric vehicle charging stations are being installed for employee use and the infrastructure is being provided for future use of electric five-ton fleet trucks. The project is scheduled to be completed in 2022.

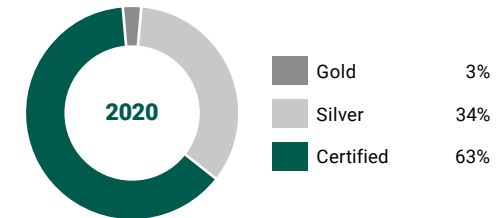


Building retrofits

In Ottawa, work continued on retrofitting one of our main head office campus buildings, damaged by fire in 2018. Work will include a high-efficiency HVAC system, triple-glazed windows, eight inches of wall insulation (adding an additional R40 insulation value to the existing walls) and a thermal solar wall to provide passive ventilation air heating. All told, these improvements will reduce the building’s operational energy use by 63 per cent. This is over and above efficiency improvements being made to the federal district energy system that serves this building. Work is scheduled to be completed in 2021.

LEED certified building projects

	2018	2019	2020	2020/19 change
LEED certified building projects	30	32	32	0%



Building controls and energy efficiency

We developed a long-term strategy and began to update our standard master specifications for building control systems for new and existing facilities. Control upgrades have been implemented at some existing facilities. Improvements to our building controls help to reduce energy use and GHG emissions. All new depots and most new post offices now include advanced lighting controls and in 2021 we plan to continue updating fluorescent lighting with LED replacements.

In addition, our new “build to suit” lease terms are influencing landlords to construct buildings that Canada Post will occupy with energy efficiency measures similar to those in our prototypical depot design. The prototypical concept design for delivery depots optimizes energy performance beyond many energy code requirements. Designs incorporate efficiency features such as demand controlled ventilation, air curtains at both grade and high dock doors, increased building envelope insulation, smart lighting controls, electricity as heating source where suitable, and electrical infrastructure that is ready for future electric fleet vehicles.

Carbon neutral portfolio plan

In 2020, Canada Post commissioned a study to identify the measures that could be implemented in our roughly 3,000 owned and leased buildings to reduce GHGs and reach carbon neutrality by 2050. The plan identified various potential onsite improvements and procurement mechanisms.

In 2021, we will pilot a number of projects to validate the assumptions used in the study. Our pilot projects include retro-commissioning, equipment upgrades, LED lighting upgrades, electrification, and solar rooftop photovoltaic power.

Fuel switching, electrification and energy efficiency projects

To reduce GHG emissions in support of our climate targets, we completed the design for two electrification projects in Newfoundland and Labrador and Prince Edward Island, to be implemented in 2021. Both will replace an existing heating oil system and fuel storage tanks with efficient electric Variable Refrigerant Flow (VRF) systems. In Ottawa, we put in more efficient cooling tower technology at our head office. We also installed our first air source heat pump rooftop unit, replacing older technology, to heat a post office in Ontario much more efficiently.

Climate risk

In 2020, we worked with a third party to complete a study of the Corporation's exposure to climate risk, which identified physical and transitional risks and related opportunities. This work will inform our Climate Strategy which we plan to publish in 2021. We also undertook our first assessment against The Task Force on Climate-related Financial Disclosures (TCFD) and will continue to use this framework as we mature in our assessment of climate risks and opportunities.

There is a risk that Canada Post may experience disruptions caused by climate induced disasters (e.g., tornados, flooding, wildfires) or the progressive impacts of climate change (e.g., increasing number of extreme heat days). This risk may lead to a loss of access to facilities or the workplace, temporary loss of workforce availability or a loss of technology and data. Going forward, we will begin to introduce control measures identified in the study and embed climate into business and decision-making processes throughout the organization.



The Task Force on Climate-related Financial Disclosures (TCFD) is an organization that develops voluntary, consistent climate-related financial risk disclosures for use by companies in providing information aligned to financial stakeholders' needs. They help companies understand what financial markets want from disclosure in order to measure and respond to climate change risks.



Canada Post is a founding partner of the Urban Delivery Solutions Initiative (USDI), led by the Pembina Institute.

Urban congestion and sustainable cities

Canada Post collaborates with many partners to address urban congestion across the country. While an increase in remote work during the pandemic reduced urban congestion in some areas during 2020, it was at least partly offset by the increase in shipping. Package deliveries went up and so did the number of trucks on the road.

Canada Post continues to work with municipalities on the need for additional infrastructure, such as parking spaces and loading zones and on how the curbside is used, by whom and for how long. These issues remain relevant as we pick up and deliver the goods that Canadians are sending and receiving in record numbers. Canada Post works with leaders from the Federation of Canadian Municipalities, the Toronto Region Board of Trade, the City of Toronto, the City of Montréal, the City of Vancouver and many other major urban centres to discuss various possible solutions to alleviate congestion, manage curbsides, and reduce emissions.

These issues have not abated during the pandemic and we remain committed to improving safety for our employees and customers while maintaining our standards for prompt and reliable delivery. Together, we're thinking creatively about the future of delivery in cities.

We are also contributing to reducing greenhouse gasses in urban centres. We continue to be a member (and founding partner) of the Pembina Institute's Urban Delivery Solutions Initiative (USDI). The USDI addresses urban freight issues – air quality, road congestion and greenhouse gas emissions – through research and engaged dialogue on the ways to address key freight challenges in Canadian cities. We participated in Pembina's Cities Taking Freight Action forum, which brought together a cross-section of city builders, transportation planners, policy practitioners and recognized sustainability leaders in business and industry to help Canadian cities realize their full planning potential.

Sustainable products and services

In 2020, Canada Post made progress toward greening the packaging sold to Canadians across our vast network of post offices.

In pursuit of our goal to eliminate single-use plastics in our operations and corporate offices by 2022, we worked with our vendor to replace the shrink wrap on shipping boxes with 100 per cent recyclable paper bands. In 2021, we will expand this effort, working towards eventually removing plastic wrap from all shipping boxes sold at Canada Post's retail outlets.

We also increased the recycled content in our bubble mailers from 15 to 23 per cent, as part of our ongoing drive to improve our packaging sustainability. We are working to increase the recycled content in our Flexipacks (single-use pouches designed for the convenience of commercial customers) to 100 per cent, up from the current 10 per cent. After extensive internal review in 2020, public tests of these and other new sustainable packaging began in early 2021.

To encourage Canadians to recycle our packaging, we updated the labelling across most of our packaging products so that our customers can better understand what can be recycled. We added Mobius loops (the universal recycling symbol which indicates that a product can be recycled), plastic resin types and sustainable forestry certifications, as well as more information on recycled content and product recyclability, where applicable.

We also partnered with a vendor to launch a reusable packaging pilot. The evaluation will continue into 2021, as we assess the potential for full-scale reusable packaging solutions.



Canada Post's retail locations now feature more sustainability options, such as recyclable paper bands, pictured here.

Retail sustainability

In 2020, we took significant steps toward making the infrastructure in our post offices more sustainable. We successfully piloted magnetic signage and posters to replace the current plastic versions. We will roll these out broadly beginning in 2021. We also moved more post office advertisements from paper to digital screens and switched the fixtures that hold our products from plastic to metal. All of these changes result in less paper and plastic waste from updated products and information at our retail locations.



Implement and promote sustainable solutions for parcels and mail (material selection, packaging, shipping) by 2022.



The Sustainable Packaging Coalition is a membership-based, sustainable packaging collaborative.



Two Sides is a non-profit organization created by members of the graphic communications supply chain to promote industry sustainability.

Zero waste

We're targeting zero waste in our operations by 2030. It's an ambitious goal – and in 2020, we took concrete steps toward it by developing new policies, installing new infrastructure and offering new services.

Our 2020 waste diversion rate was 73 per cent – an increase of four per cent over 2019 that reflected initial improvements from the waste diversion measures we put in place over the course of the year.

We worked with our vendors to improve the quality of our waste and recycling data. We increased the number of metrics we collect, standardized our reporting format across hundreds of sites and leveraged technology to capture trends in our data. This improved waste reporting allowed us to quickly identify and address waste collection inefficiencies.

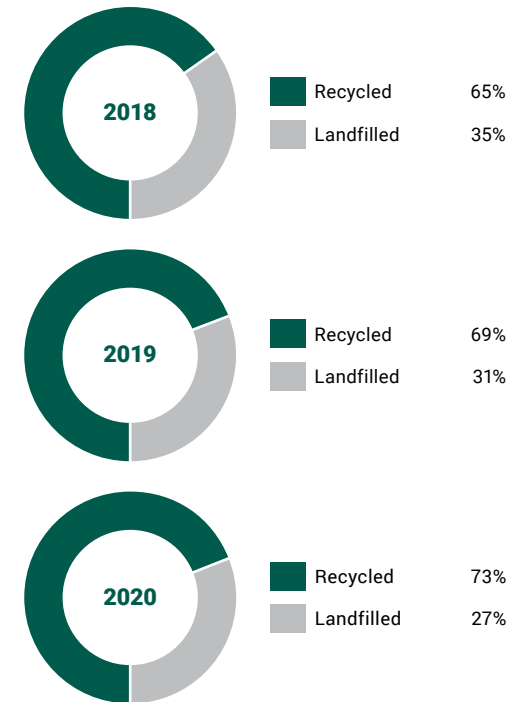
We installed new auger-style cardboard compactors at our plants in Hamilton and Toronto, to recycle cardboard more efficiently. The new compactors also free up floor space previously used to store excess cardboard, creating a safer environment for our employees.

We also laid the groundwork for a new waste management pilot at five key sites. The pilot includes new recycling and composting services, refreshed communication materials, revised janitorial practices and training and new multi-stream waste and recycling bins. In 2021 we will turn to employee engagement and monitor the results, looking to scale the best practices across our network.



A cardboard compactor at our Hamilton Mail Processing Plant helps to free up operational space and divert cardboard for recycling.

Recycling summary



TARGET *Divert at least 90% by weight of non-hazardous operational weight by 2030.*

Construction waste

Our target is 90 per cent diversion of all construction and demolition waste. As a first step, we have worked with our construction partners to develop a comprehensive waste management plan for our new Ontario East Processing Centre, which aims for a 90 per cent construction waste diversion. We intend to minimize construction site waste by recycling and to reuse or recover materials that would otherwise enter a landfill. Those materials include all cardboard, metal, concrete, asphalt and glass. We'll monitor our progress closely and report the results.

TARGET *Divert at least 90 per cent of all construction and demolition waste by 2030.*

Letterflattainers recycled content increase

We use thousands of packet tubs and letterflattainers (LFTs) every day to move mail in our facilities. After incurring significant wear and tear, these bins are reground, reformed and recirculated within our network. With support from our supplier, we switched to 100 per cent recycled resin LFTs and packet tubs, lowering per-unit costs and reducing purchased virgin plastic resin. We're hoping to expand our use of recycled resin over the coming year.



TARGET *Eliminate the unnecessary use of single-use plastics in head office, corporate events and meetings by 2020 and in Canada Post operations by 2022.*

Touchless water fountains

In 2020, we installed 109 touchless water fountains across 36 plants and depots. They make it easier to fill reusable water bottles, and display how many single-use water bottles have been avoided over the course of the year – more than 316,000 in 2020.

This is one measurable way that our employees are helping us eliminate unnecessary single-use plastics.

Single-use plastics

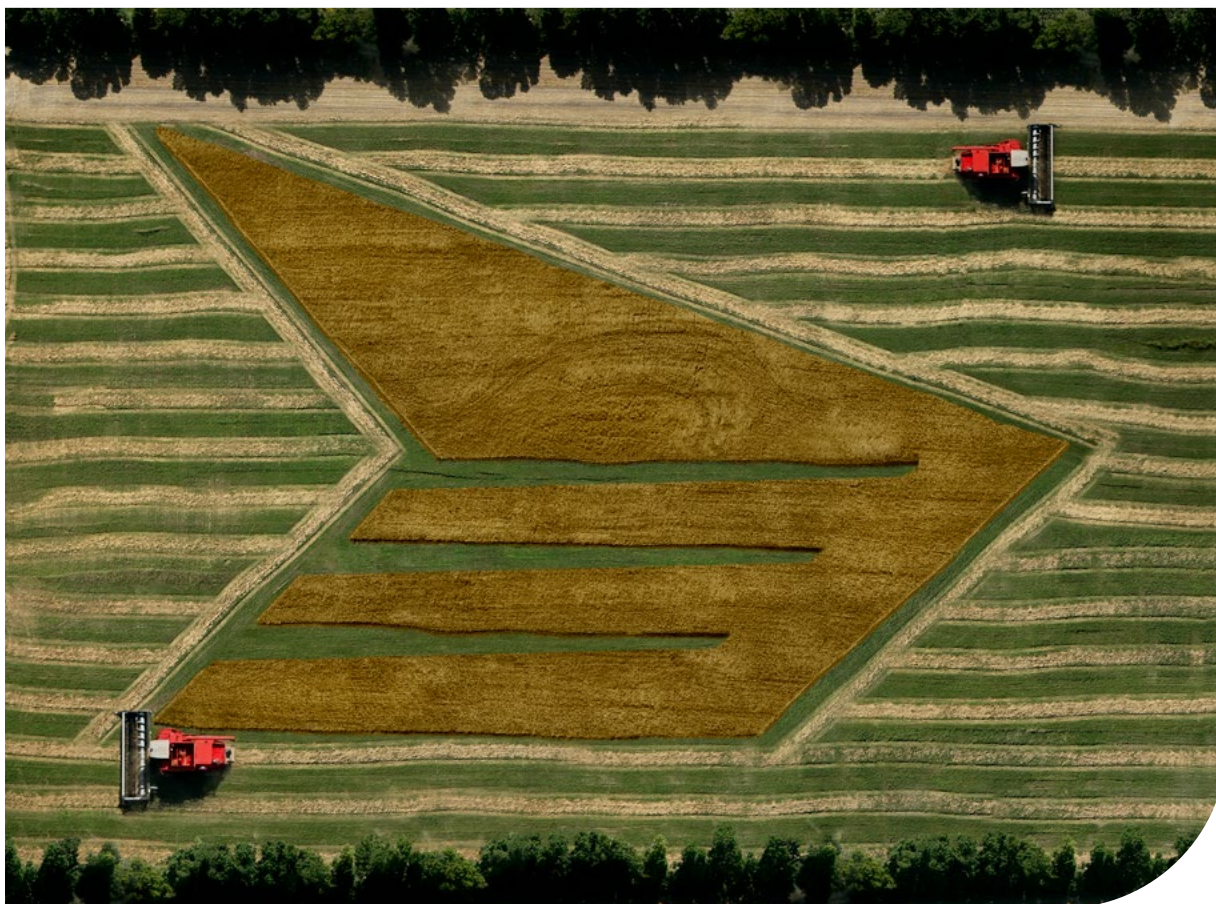
We are well on the way to eliminating unnecessary single-use plastics in our corporate events and meetings, and plan to eliminate plastics in our operations and corporate offices by 2022.



To guide our efforts, we developed our first single-use plastics policy. It discourages the use and procurement of unnecessary single-use disposable plastics and will help us engage vendors around our goals.

In our cafeterias, we are working with our vendors to phase out plastics such as cutlery, takeout containers and stir sticks. Although COVID-19 related sanitation requirements increased the usage of disposable options in some instances, we worked to identify non-plastic alternatives and hope to make more progress in 2021.

We also began to remove single-use plastics from our internal sourcing catalogue so that the products and supplies that our employees need to do their jobs also comply with our single-use plastics policy.



Environmental Committee

This past year, Canada Post, APOC, CUPW, PSAC-UPCE and the Canadian Postmasters and Assistants Association (CPAA), continued to address issues related to the environment.

Canada Post and its bargaining agents agree that the environment is a priority. Our focus in 2020 was the development of a sustainability action plan to identify environmental priorities, goals and targets, and key actions to kick-start our ambitious work together on reducing Canada Post's environmental footprint. We remain committed to working together on these key environmental priorities while always open to considering new initiatives and projects that are important to the unions and their membership.

In 2020, the Environmental Committee held six meetings, as well as a workshop on greenhouse gas targets. Members of CUPW and Canada Post officials met in Montréal in February to learn about e-cargo bikes and other innovative modes of urban delivery.

Accessibility at Canada Post

In 2020, we adopted a strategic approach to enhancing accessibility across the company. We're assessing current practices, learning from experts and networks, and putting in place guidance and tools to remove existing barriers and prevent future ones. We understand that enhancing accessibility for our employees and customers makes good business sense.



Photo: Jordan Nicholson, Disability:IN

Accessibility Strategy

In April 2020, the Corporation's first Accessibility Strategy was approved by the Canada Post Board of Directors.

The strategy will help us to become a best-in-class accessible and inclusive Crown corporation by:

- creating a diverse and inclusive workforce culture;
- delighting our customers by creating a welcoming and inclusive experience for them;
- building accessible barrier-free spaces; and
- leveraging inclusive and agile business opportunities.

Canada Post's external Accessibility Advisory Panel is comprised of accessibility experts who provide input on Canada Post's programs. In October, the Advisory Panel held a roundtable meeting to discuss the impact of COVID-19 on persons with disabilities. These insights on the barriers faced by persons with disabilities, often exacerbated during the pandemic period, underscored the importance of our efforts to improve economic and social outcomes for this community.

Our customers

Creating a welcoming and inclusive experience for customers who use Canada Post's products and services continues to be a priority.

Our goal is to make our post offices, administrative offices, depots and processing facilities barrier-free and accessible for users – both our customers and our people. We engaged a third-party expert accessibility consulting firm to develop accessibility design guidelines for new buildings and retrofits, create an audit checklist to assess accessibility in legacy facilities, and develop a capital investment strategy for enhancements across the company. Our 2020 accessibility upgrades include one ramp, 40 automatic doors and 47 accessible service counters.

We now build all new public-facing digital products to meet the Web Content Accessibility Guidelines (WCAG) 2.1 at level AA. To do this, we established a dedicated digital accessibility team, trained 100 digital employees and contractors, and implemented a thorough accessibility testing approach. We achieved a measure of 77 per cent on digital accessibility across all active digital products in 2020, exceeding our target of 70 per cent.



The National Educational Association of Disabled Students supports full access to education and employment for post-secondary students and graduates with disabilities across Canada.

Our communities

Canada Post Awards for Indigenous Students celebrate the hard work and determination of individuals of Indigenous heritage who've embraced a renewed pursuit of learning. The 25 recipients for 2020 were awarded \$2,000 in recognition of their efforts for a total of \$50,000. Since 2004, more than 300 winners from across the country have been recognized.

In collaboration with the National Educational Association of Disabled Students (NEADS), Canada Post also established a \$10,000 scholarship and two summer work opportunities for students with disabilities. Our partnership with NEADS will enable us to support access to education and the workforce by recognizing the outstanding academic achievements and contributions of students with disabilities.

The Canada Post Student Award supports outstanding scholarship in higher education for one deserving student with disabilities. The award will be presented to a student who demonstrates leadership, innovation, respect and integrity in their research, studies and community involvement.

Starting in summer 2021, we will be offering work opportunities to deserving students, in recognition of the contributions that people with disabilities bring to the workforce.

We recognize the importance of advocating for accessibility, sharing knowledge in the greater community and building strong partnerships. By working with stakeholders and organizations representing people with disabilities, we sought to increase our engagement and community involvement.

Delivery Accommodation Program

The Delivery Accommodation Program offers alternative delivery options for Canadians with functional limitations or health issues. The program is offered year-round, temporarily or seasonally as required by our customers.

In 2020, we received 1,421 requests for accommodation and implemented a number of solutions which include: a mailbox key turner, a sliding mail tray, adjustments to the mailbox compartment, mailbox braille markings, weekly home delivery and mail redirection to a family member or a post office.

To increase awareness we published a full-page advertisement in the June 2020 issue of Abilities magazine. Abilities has a combined print and digital circulation of 60,000 and reaches 15,000 additional readers through e-newsletters.

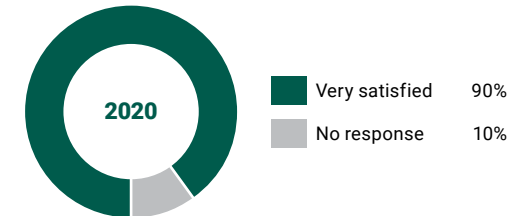
We are committed to customer satisfaction. To improve our customer experience, a satisfaction survey was sent to 767 clients enrolled in the program who opted in to receive the survey. Of the 335 who completed the survey, 67 per cent indicated that they were very satisfied with the program/service. Overall, 90 per cent indicated they were somewhat satisfied or very satisfied.

As to the impact of the Program: 92 per cent of respondents indicated that the program made their lives easier.

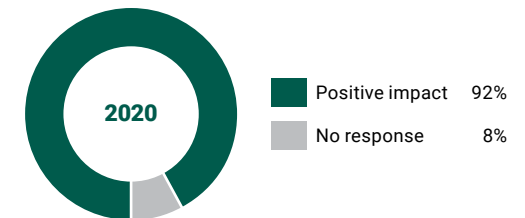
The survey results also indicated that we could do more to increase awareness of the program. We have developed an outreach strategy that will leverage Canada Post's social media channels as well as the networks and reach of our Accessibility Advisory Panel members.

Customers who need accommodation can access the program online or by calling 1-844-454-3009.

Delivery Accommodation Program client satisfaction



Delivery Accommodation Program makes clients' lives easier



Canada Post's Delivery Accommodation Program is a mail delivery service designed to support customers with functional limitations that limit their ability to access their mail.

Indigenous and Northern Affairs

Consistent with our mission, core values and principles, we are committed to renewing our relationships with Indigenous Peoples, whose communities and people we recognize have been historically underserved by the Corporation.

We are also committed to serving remote and northern communities, which rely on us heavily to deliver items they order online and which, typically, only we can deliver. We serve roughly 180 remote and northern communities by air.

Indigenous and Northern Reconciliation Strategy

Our new Indigenous and Northern Reconciliation Strategy aims to renew the relationship between Canada Post and Indigenous Peoples. It is guided by the principles of acknowledgement, opportunity, rectification, improvement of service and inclusion.

This strategy is essential to ensure the unique rights, interests and circumstances of Indigenous and northern people are acknowledged, affirmed and taken into consideration within the context of our obligation to serve all Canadians. It is supported by four pillars:



Improve postal services to Indigenous and northern communities.

With a five-year, community-by-community approach, we'll strengthen our retail network in Indigenous and Northern communities. Some communities will see new full-service post offices, while others will see existing services improved. Options include centralized delivery such as parcel lockers and improved access to financial, remittance and government services.



Develop and implement an Indigenous Procurement Policy.

With a new policy that will take effect in 2021, we're going to redefine our business relationship with Indigenous-owned companies. It will be based on trust, economic reconciliation and good business sense.



Improve Indigenous employment and retention.

We'll do this in partnership with our unions and Indigenous communities. We can and should improve Indigenous representation in our workforce so that it reflects the country and the communities we serve.



Support the viability, wellness and safety of Indigenous communities.

We will collaborate with community leaders and local Indigenous law enforcement to ensure we serve these communities safely. This includes working to reduce the non-mailable matter, such as alcohol and illicit drugs, that enter these communities.



A post office in Iqaluit.

Security of the mail



Canada Post is responsible for the security of the mail and for protecting the privacy of its customers and employees. In a world with constantly evolving physical and cyber security threats, Canada Post is committed to maintaining the privacy of its customers, and towards this goal, we comply with relevant legislation and had adopted stringent policies and practices.

To support safer communities, Canada Post launched in 2020 an Illicit Drug Interdiction Team, training postal inspectors to detect and remove non-mailable matter from our network. Thanks to effective ongoing collaboration with our law enforcement partners, we are removing illicit drugs and prohibited items from the postal system.

We continue to adapt our security measures to protect against mail and data security risks. Some of the safeguards we employ include:

- using high-security locks, cameras and electronic access controls, intrusion detection systems and radar technology to protect the mail, our plants, depots and retail outlets;
- holding over 800 security awareness sessions annually to continuously review the security of the mail protocols with frontline employees;
- inspecting 250 postal facilities in 2020 to ensure the security of the mail protocols are understood by frontline employees;
- employing a records management system with security controls and oversight;
- employing a formal process to escalate breaches of sensitive information to the relevant authorities;
- working with our third-party contractors to ensure they also have adequate security controls in place;
- requiring mandatory security clearance for all employees and contractors;
- 24/7 in-house intrusion alarm monitoring through the internal state-of-the-art National Security Operations Centre;
- proactively detecting and disrupting known physical and digital threats;
- researching and developing best-in-class technological advances to mitigate threats (e.g., drones, X-rays and illicit material detection).

We're serious about the security of the mail and the privacy of our customers. These safeguards allow us to proactively address potential security threats and keep the mail safe.

Data security

We have invested heavily in physical and online security to protect against data breaches, fraudulent use of our products and services and malicious emails. We also conduct regular employee training and education to reduce the risk of data breaches and cyber attacks.

Privacy impact assessments are conducted regularly to ensure our technologies and systems are working as they should and that we have electronic access controls in place. Our new artificial intelligence solutions also help us to identify potential malicious activity.

We've developed partnerships with third parties and law enforcement agencies to detect, deter and disrupt threats.

We hold over 800 security awareness sessions annually to continuously review the security of the mail protocols with frontline employees.

Community Foundation

The Canada Post Community Foundation has a simple mission: to make a positive impact in the lives of children and youth in the communities we serve by supporting registered charities, school programs or local initiatives that benefit children and youth. The foundation provides grants to meet real needs, including funding summer camps for children living with serious illness, crisis lines, anti-bullying campaigns, mental health initiatives, literacy, sports and breakfast programs, special needs clinics, arts and recreation projects and more.

In 2020, the foundation distributed more than \$1.3 million in grants to 118 community organizations across the country.

Every fall, our retail employees across Canada hold a five-week public fundraising campaign. Additional funds are raised through sales of a special community foundation stamp and an employee payroll deduction program. Due to COVID-19, many of the traditional fundraising events staff host in post offices across Canada could not be held. Despite this challenge, the campaign raised \$900,000, which will be used to fund project grants in 2021. In the last nine years, the Foundation has granted approximately \$10 million to more than 900 projects.



Year	2018	2019	2020	2020/19 change
Donations (in millions)	\$1.2	\$1.1	\$1.3	↑ 18%
Projects funded	112	118	118	— 0%

\$1.3M

*in grants to
118 community
organizations*

\$900,000

*raised in 2020 by
Canada Post employees
and customers at retail
to support 2021 projects*

\$10M

*donated to over
900 projects
since 2012*

Signature Grants (\$50,000 each)



Hope Air

The grant will be used to cover the costs of flights for children and youth who need to access medical care far from home.



Gord Downie & Chanie Wenjack Foundation

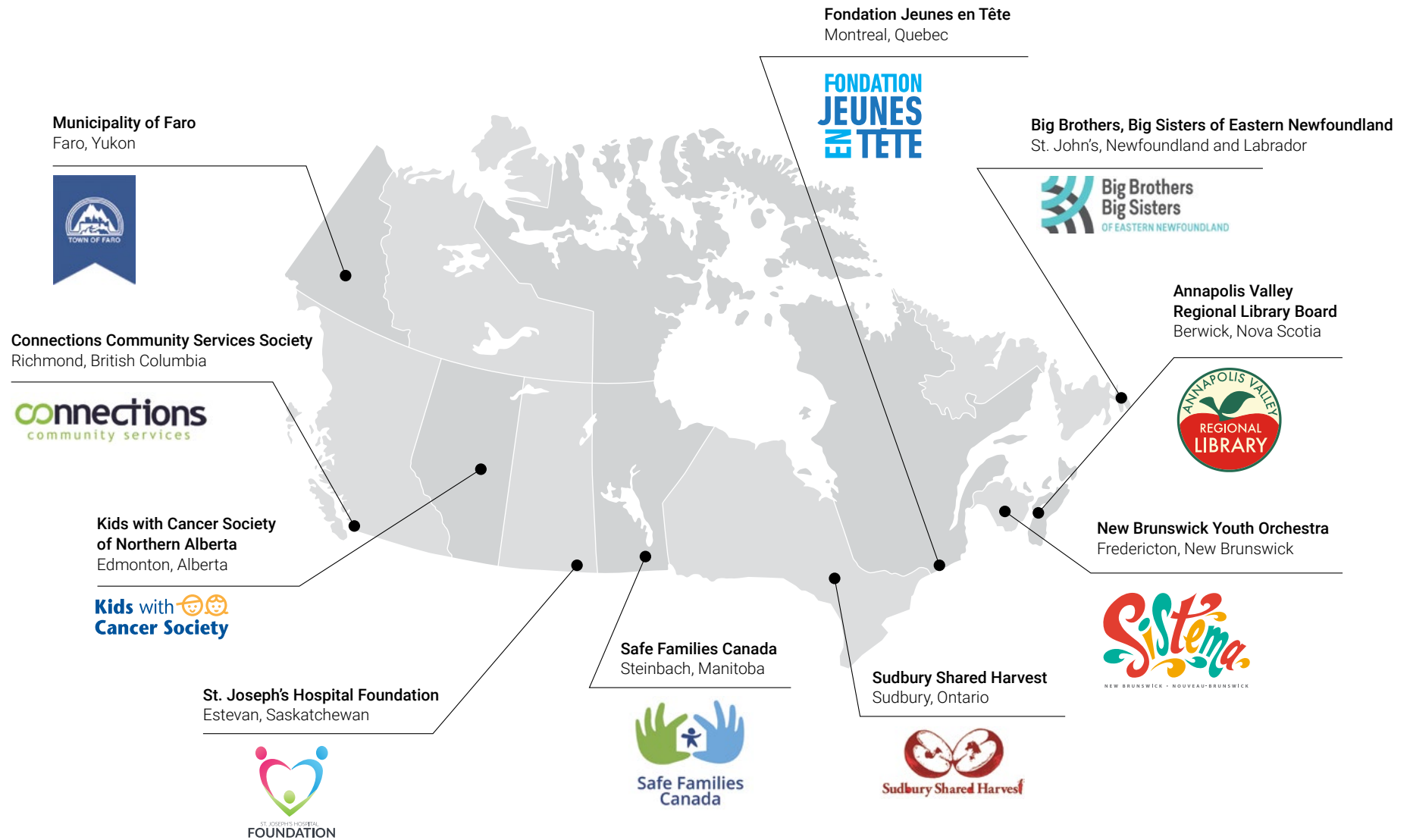
The grant will go towards the expansion of the Legacy Schools Program, which aims to build cultural understanding and create a path toward reconciliation between Indigenous and non-Indigenous Canadians.



Special Olympics Canada

The grant will support the Active Start (2 to 6-year-olds) and FUNdamentals (7 to 12-year-olds) programs, which serve 5,500 para athletes across Canada.

A snapshot of organizations supported by the Community Foundation in 2020



Santa Letter-writing Program

Social distancing can't stop our elves! For the 39th year in a row, the Canada Post Santa Letter-writing Program answered the call, responding to more than 1.2 million letters in 39 languages.

Since its beginnings in 1982, this employee volunteer effort has allowed Santa to respond to more than 31 million letters from children of all ages across Canada with personalized responses.

9,000
elves replied to over
1,200,000
letters to Santa!



Privacy

Every day, Canadians trust us with vast amounts of personal information. Our employees, customers and the public rely on us to properly handle and protect this information and respect our obligations under the *Privacy Act*. Canada Post has consistently demonstrated strong compliance with these obligations and continues to evolve its privacy practices to incorporate national and international best practices, as well as guidance from its regulators. We build privacy principles into the design and development of products and services, including the use of innovative technologies.

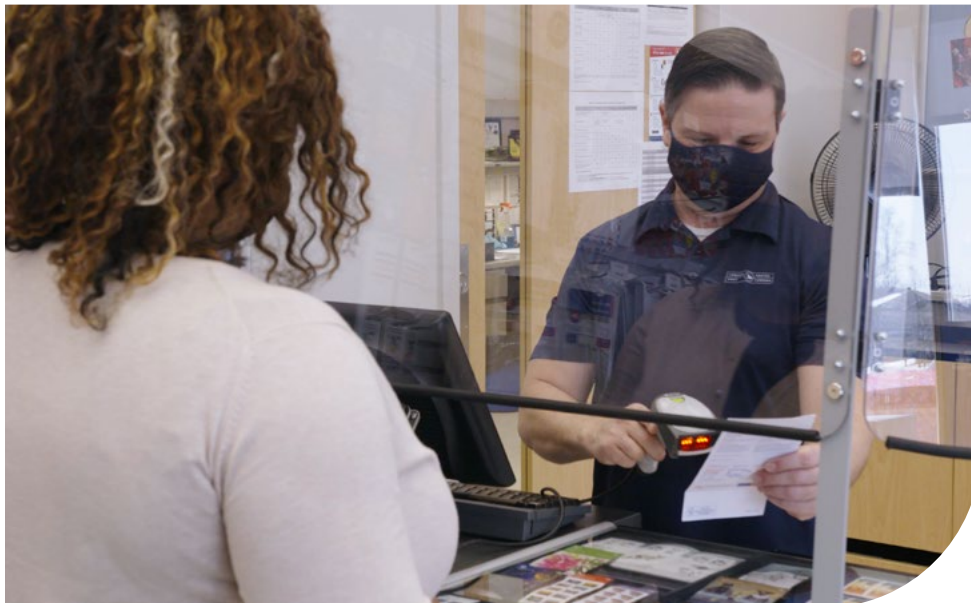
In 2019, we launched the first phase of a new public-facing online privacy centre. It is a major step toward implementing a multi-year privacy project to modernize Canada Post's privacy practices to better align with the evolution of e-commerce, enhanced data analytics and new digital marketing techniques. In this first phase, we developed a comprehensive online privacy policy to increase the transparency of our practices for handling personal information. In 2020, we added pertinent information and helpful resources to provide Canadians with further clarity on how we protect their information and what steps they can take to address their privacy or related concerns.

In addition, we streamlined and standardized our process for handling privacy breaches. This will help to address any incidents in a timely and efficient manner, minimize their impact to the greatest extent possible, and prevent a recurrence.

In the context of COVID-19, Canada Post was deemed an essential service. The Privacy Office provided critical advice with respect to operational changes to the business, occupational health and safety, and human resource issues.

Privacy complaints and breaches

Year	2018	2019	2020	2020/19 change
Total complaints	34	33	51	↑ 55%
Well-founded complaints	12	15	13	↓ 13%
Privacy breaches (including well-founded complaints)	29	30	31	↑ 3%



Access to information

We are committed to fulfilling our obligations under the *Access to Information Act* while protecting the information we receive from our partners, suppliers and customers. We balance the requester’s right of access with the protection of commercially sensitive corporate and third-party information. This commitment is fundamental to respecting customer relationships and maintaining trust.

We embrace the principles of openness and transparency expected of us as a Crown corporation that serves Canadians. We demonstrate our commitment in several ways, including publishing a comprehensive annual report about our business and financial performance and the Canada Postal Guide. We are always looking at ways to enhance transparency and build trust with our customers, the public and our employees. Canada Post strongly believes that organizations have a duty to provide users of financial information with results achieved and forward-looking information across the four themes identified in the TCFD framework of governance, strategy, risk management and metrics and targets.

In 2020, despite the challenges of COVID-19, we ensured that Canadians continued to access the information they requested with as little delay as possible by leveraging technology and implementing efficient processes.

Access to information request and complaints

Year	2018	2019	2020	2020/19 change
Total requests	111	158	79	↓ 50%
Total complaints	9	15	12	↓ 20%
Well-founded complaints	4	8	2	↓ 75%

Official languages

As a federal institution with national presence, our goal and responsibility is to provide quality communications with – and services to – Canadians in both official languages, as required by the *Official Languages Act*.

In 2020, over 98 per cent of surveyed callers to our Customer Care Service line indicated that they were served in the official language of their choice.

This year also saw a decrease of 38 per cent in the number of complaints received from the Office of the Commissioner of Official Languages (OCOL), while overall complaints across federal institutions increased by 25 per cent.*

Year	2018	2019	2020	2020/19 change
Official languages complaints	38	39	24	↓ 38%

Canada Post also strives to ensure that English and French-speaking Canadians have equal opportunities to obtain employment and to advance in their careers with us, and to create a work environment conducive to the use of both official languages.

* Commissioner of Official Language’s Annual Report 2019-2020, September 29, 2020.

GRI Standards Content Index

General disclosures

Organizational profile		
Disclosure number	Disclosure title	Reference
102-1	Name of the organization	Canada Post Corporation
102-2	Activities, brands, products, and services	2020 Canada Post Annual Report, Notes to Consolidated Financial Statements; Incorporation, Business Activities and Directives, pg. 60.
102-3	Location of headquarters	2020 Canada Post Annual Report, Notes to Consolidated Financial Statements; Incorporation, Business Activities and Directives, pg. 60.
102-4	Location of operations	2020 Canada Post Annual Report, Notes to Consolidated Financial Statements; Incorporation, Business Activities and Directives, pg. 60.
102-5	Ownership and legal form	2020 Canada Post Annual Report, Notes to Consolidated Financial Statements; Incorporation, Business Activities and Directives, pg. 60.
102-6	Markets served	2020 Canada Post Annual Report, Notes to Consolidated Financial Statements; Incorporation, Business Activities and Directives, pg. 60.
102-7	Scale of the organization	2020 Canada Post Annual Report, Management's Discussion and Analysis, Core Businesses and Strategy, Our Business, pg. 6.
102-8	Information on employees and other workers	2020 Canada Post Annual Report, Management's Discussion and Analysis, Core Businesses and Strategy, Our Employees, pg. 14.
102-9	Supply chain	2020 Canada Post Annual Report, Management's Discussion and Analysis, Outlook for 2021, pg. 44.
102-10	Significant changes to the organization and its supply chain	2020 Canada Post Annual Report, Management's Discussion and Analysis, Outlook for 2021, pg. 44.
102-11	Precautionary Principle or approach	2020 Canada Post Annual Report, Management's Discussion and Analysis, Discussion of Operations, pg. 22.
102-12	External initiatives	2020 Canada Post Sustainability Report, Community Foundation, pg. 37.
102-13	Memberships of associations	Canada Post is a member of the Sustainable Packaging Coalition, Electric Mobility Canada, and the Canada Green Building Council, among others.

Strategy

Disclosure number	Disclosure title	Reference
102-14	Statement from senior decision maker	2020 Canada Post Sustainability Report, Message from President and CEO, pg. 3.
102-15	Key impacts, risks, and opportunities	2020 Canada Post Annual Report, Management's Discussion and Analysis, Discussion of Operations, pg. 22.

Ethics and integrity

Disclosure number	Disclosure title	Reference
102-16	Values, principles, standards, and norms of behaviour	See Canada Post Code of Conduct.
102-17	Mechanisms for advice and concerns about ethics	See Canada Post About Us.

Governance		
Disclosure number	Disclosure title	Reference
103	Management approach: leadership and governance	2020 Canada Post Sustainability Report, Leadership and governance, pg. 8.
102-18	Governance structure	2020 Canada Post Sustainability Report, Leadership and governance, pg. 8.
102-19	Delegating authority	2020 Canada Post Sustainability Report, Leadership and governance, pg. 8.
102-20	Executive-level responsibility for economic, environmental, and social topics	2020 Canada Post Sustainability Report, Leadership and governance, pg. 8.
102-21	Consulting stakeholders on economic, environmental, and social topics	Canada Post senior management receives advice and feedback from ongoing stakeholder consultation with joint union committees as well as external subject matter experts, which include non-profit organizations and an advisory panel of Canadian accessibility leaders. 2020 Canada Post Sustainability Report, Leadership and governance, pg. 8.
102-22	Composition of the highest governance body and its committees	Board Composition: 2020 Canada Post Sustainability Report, Leadership and governance, pg. 8. Board tenure and responsibility: Canada Post website: The Role of the Board of Directors.
102-23	Chair of the highest governance body	The Chair is an independent member of the Board of Directors. Her message can be found here: 2020 Canada Post Sustainability Report, Message from the Board of Directors, pg. 2.
102-24	Nominating and selecting the highest governance body	Canada Post External Website, About Us, Leadership, Governance and Board of Directors.
102-25	Conflicts of interest	Canada Post Standards of Conduct, accessible here: Responsibilities of the Directors of Canada Post Corporation.
102-26	Role of highest governance body in setting purpose, values, and strategy	Canada Post External Website, About Us, Leadership, Governance and Board of Directors.
102-27	Collective knowledge of highest governance body	2020 Canada Post Sustainability Report, Leadership and governance, pg. 8.
102-28	Evaluating the highest governance body's performance	Canada Post website: The Role of the Board of Directors.
102-29	Identifying and managing economic, environmental, and social impacts	2020 Canada Post Sustainability Report, Leadership and governance, pg. 8.
102-30	Effectiveness of risk management processes	2020 Canada Post Annual Report, Management's Discussion and Analysis, Risks and Risk Management, pg. 33.
102-31	Review of economic, environmental, and social topics	2020 Canada Post Sustainability Report, Leadership and governance, pg. 8.
102-32	Highest governance body's role in sustainability reporting	The Board of Directors approves the Sustainability Report before publishing externally.
102-33	Communicating critical concerns	Canada Post handles critical concerns from stakeholders, citizens, and customers through corporate correspondence, escalating critical issues to senior management. Canada Post also handles concerns from municipal, provincial and federal governments through established government and community affairs channels, escalating critical issues to senior management who in turn communicate critical issues to the Board of Directors. For the structure of critical ESG concerns see ESG governance and accountability: 2020 Canada Post Sustainability Report, Governance and accountability, pg. 8.

Disclosure number	Disclosure title	Reference
102-34	Nature and total number of critical concerns	2020 Canada Post Sustainability Report, Message from the Chair of the Board, pg. 2.
102-35	Remuneration policies	2020 Canada Post Annual Report, online component, Corporate Governance.
102-37	Stakeholders' involvement in remuneration	2020 Canada Post Annual Report, Management's Discussion and Analysis, Management's Responsibility for Financial Reporting, pg. 52.

Stakeholder engagement

Disclosure number	Disclosure title	Reference
102-40	List of stakeholder groups	2020 Canada Post Sustainability Report, Materiality, pg. 4.
102-41	Collective bargaining agreements	2020 Canada Post Annual Report, Management's Discussion and Analysis, Labour Matters, Labour Negotiations, pg. 4.
102-42	Identifying and selecting stakeholders	2020 Canada Post Annual Report, Management's Discussion and Analysis, Executive Summary, pg. 2.
102-43	Approach to stakeholder engagement	2020 Canada Post Sustainability Report, Materiality, pg. 4
102-44	Key topics and concerns raised	Canada Post Annual Report, online component, Our Customers.

Reporting practice

Disclosure number	Disclosure title	Reference
102-45	Entities included in the consolidated financial statements	2020 Canada Post Annual Report, Notes to Consolidated Financial Statements, Note 3(a) Basis of Consolidation, pg. 61.
102-46	Defining report content and topic Boundaries	2020 Canada Post Sustainability Report, Materiality, pg. 4.
102-47	List of material topics	2020 Canada Post Sustainability Report, Materiality, pg. 4.
102-48	Restatements of Information	2020 Canada Post Sustainability Report, Carbon methodology, pg. 22; 2020 Canada Post Sustainability Report, Vehicle Safety, pg. 15.
102-49	Changes in reporting	2020 Canada Post Sustainability Report, About this Report, pg. 4.
102-50	Reporting period	This report covers the calendar year from January 1, 2020 to December 31, 2020.
102-51	Date of most recent report	2019 Canada Post Sustainability Report. Published July 1, 2020.
102-52	Reporting cycle	Canada Post's Sustainability Reports are produced annually.
102-53	Contact point for questions regarding the report	ESG@canadapost.ca

Disclosure number	Disclosure title	Reference
102-54	Claims of reporting in accordance with the GRI Standards	This report was has been prepared in accordance with the Core option of the current GRI Standards.
102-55	GRI content index	2020 Canada Post Sustainability Report, GRI Content Index, pg. 42-50.
102-56	External assurance	The greenhouse gas inventory contained within this report has undergone a limited assurance review in accordance with the ISO 14064-3 International Standard.

Economic performance

Disclosure number	Disclosure title	Reference
201-1	Direct economic value generated and distributed	2020 Canada Post Annual Report, Management's Discussion and Analysis, Core Business and Strategy, Section 2.1, Canada Post Segment, pg. 7.
201-2	Financial implications and other risks and opportunities due to climate change	2020 Canada Post Sustainability Report, Climate risk, pg. 27.

Anti-competitive behaviour

Disclosure number	Disclosure title	Reference
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	In 2020, Canada Post did not have any legal actions taken against it relating to anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes.

Materials

Disclosure number	Disclosure title	Reference
301-1	Materials used by weight or volume	This topic is currently not material to Canada Post operations.

Energy

Disclosure number	Disclosure title	Reference
103	Management approach: Climate action	Canada Post has an energy management plan with its property management partners. Canada Post also engages in regular touch points with its Real Estate team and Property Management teams on energy performance and consumption. Canada Post works closely with property management partners to identify opportunities for energy savings. Canada Post publishes annually a greenhouse gas inventory, and is committed to reducing emissions across the organization.
302-1	Energy consumption within the organization	2020 Canada Post Sustainability Report, Renewable energy and energy efficiency, pg. 26.

Disclosure number	Disclosure title	Reference
302-3	Energy intensity	2020 Canada Post Sustainability Report, Renewable energy and energy efficiency, pg. 26.
302-4	Reduction of energy consumption	2020 Canada Post Sustainability Report, Renewable energy and energy efficiency, pg. 26.

Emissions

Disclosure number	Disclosure title	Reference
305-1	Direct (Scope 1) GHG emissions	2020 Canada Post Sustainability Report, Climate action, Scope 1, pg. 22.
305-2	Energy indirect (Scope 2) GHG emissions	2020 Canada Post Sustainability Report, Climate action, Scope 2, pg. 22.
305-3	Other indirect (Scope 3) GHG emissions	2020 Canada Post Sustainability Report, Climate action, Scope 3, pg. 22.
305-5	Reduction of GHG emissions	2020 Canada Post Sustainability Report, Climate action, pg. 22.
305-6	Emissions of ozone-depleting substances (ODS)	Canada Post does not currently have any ODS emissions through the operations of its business. For Halocarbon fugitive emissions see the 2020 Canada Post Sustainability Report, Climate action, Scope 1, pg. 22.

Waste

Disclosure number	Disclosure title	Reference
103	Management approach: zero waste	Canada Post conducts waste audits of its facilities in conjunction with its property management partners to identify opportunities for waste diversion or reduction. In 2020, we worked with our vendors to improve the quality of our waste and recycling data. We increased the number of metrics we collect, standardized our reporting format across hundreds of sites and leveraged technology to capture trends in our data. 2020 Canada Post Sustainability Report, Zero waste, pg. 29.
306-2	Waste by type and disposal method	2020 Canada Post Sustainability Report, Zero waste, pg. 29. Canada Post reports on waste data that was provided by onsite property management.

Environmental compliance

Disclosure number	Disclosure title	Reference
307-1	Non-compliance with environmental laws and regulations	In 2020, Canada Post did not receive any material fines relating to non-compliance with laws and regulations.

Supplier environmental assessment

Disclosure number	Disclosure title	Reference
308-1	New suppliers that were screened using environmental criteria	In 2020, we worked with a third party to benchmark the ESG aspects of our procurement practices against other Crown corporations, private sector peers and national postal agencies. This helped us identify priorities and draw a roadmap for responsible procurement.

Labour/management relations		
Disclosure number	Disclosure title	Reference
103	Management approach: labour relations	2020 Canada Post Sustainability Report, Labour relations, pg. 20.
402-1	Minimum notice periods regarding operational changes	Approximately 95 per cent of Canada Post's employees are covered by collective agreements that include provisions for notification of changes, such as technical or technological changes (normally 120 days) and reorganization or restructuring (normally 30-90 days). The status of those collective bargaining agreements is reflected in the 2020 Canada Post Annual Report, Management's Discussion and Analysis, Labour Agreements, pg. 35

Occupational health and safety		
Disclosure number	Disclosure title	Reference
103	Management approach: safety and wellness	Canada Post has collaborative health and safety policy committees with each bargaining group that meet all federal requirements for membership. Committees meet on a monthly-to-quarterly basis depending on Collective Agreement stipulations.
403-2	Hazard identification, risk assessment, and incident investigation	Canada Post 2020 Sustainability Report, Safety, pg. 13; Vehicle safety, pg. 15.

Diversity and equal opportunity		
Disclosure number	Disclosure title	Reference
103	Management approach: diversity and inclusion	2020 Canada Post Sustainability Report, Leadership and governance, pg. 8. 2020 Canada Post Sustainability Report, Employee diversity and inclusion, pg. 18.
405-1	Diversity of governance bodies and employees	2020 Canada Post Sustainability Report, Leadership and governance, pg. 8. 2020 Canada Post Sustainability Report, Employee diversity and inclusion, pg. 18.

Non-discrimination		
Disclosure number	Disclosure title	Reference
406-1	Incidents of discrimination and corrective actions taken	2020 Canada Post Sustainability Report, Employee Diversity and inclusion, pg. 18; Human rights and harassment complaints table, pg. 19; Official languages complaints table, pg. 41.

Employee engagement		
Disclosure number	Disclosure title	Reference
103	Management approach: employee engagement	Canada Post engages with its employees through various communications tools and channels, including frequent CEO Updates and town halls, and a comprehensive Intrapost (Canada Post's intranet) full of information on a wealth of topics. There are also more formal touchpoints such as annual and quarterly reports and an open Annual Public Meeting. As well, Supervisory Briefing Notes on Intrapost communicate messages, job aids, posters and talk tracks to help supervisors communicate to frontline workers in Operations.

Freedom of association and collective bargaining

Disclosure number	Disclosure title	Reference
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Over 95 per cent of our employees are covered by a collective agreement. The status of the collective agreements is reflected on pg. 20 of the 2020 Canada Post Sustainability Report, Labour Relations section.

Child labour

Disclosure number	Disclosure title	Reference
408-1	Operations and suppliers at significant risk for incidents of child labour	Canada Post operations are conducted solely within Canada and the Corporation deems that there is no risk for incidents of forced or compulsory labour. No supplier was identified as having significant risk for incidents of forced or compulsory labour. Canada Post has issued guidelines that require suppliers to comply with and uphold all applicable international standards and domestic laws related to human and labour rights. During an RFP process, due diligence is carried out through rated requirements, customer references, and site visits to evaluate supplier experience and expertise for all contracts that warrant it. For projects where a subcontractor performs the majority of the work, CPC's contractors are required to perform the same due diligence, and are held responsible for the quality and punctuality of the work performed.

Forced or compulsory labour

Disclosure number	Disclosure title	Reference
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Canada Post operations are conducted solely within Canada and the Corporation deems that there is no risk for incidents of forced or compulsory labour. No supplier was identified as having significant risk for incidents of forced or compulsory labour. Canada Post has issued guidelines that require suppliers to comply with and uphold all applicable international standards and domestic laws related to human and labour rights. During an RFP process, due diligence is carried out through rated requirements, customer references, and site visits to evaluate supplier experience and expertise for all contracts that warrant it. For projects where a subcontractor performs the majority of the work, CPC's contractors are required to perform the same due diligence, and are held responsible for the quality and punctuality of the work performed.

Accessibility

Disclosure number	Disclosure title	Reference
103	Management approach: accessibility	2020 Canada Post Sustainability Report, Accessibility at Canada Post, pg. 32.

Rights of Indigenous Peoples		
Disclosure number	Disclosure title	Reference
103	Management Approach: Indigenous and Northern Affairs	Canada Post's new Indigenous and Northern Reconciliation Strategy aims to renew the relationship between Canada Post and Indigenous Peoples. It is guided by the principles of acknowledgement, opportunity, rectification, improvement of service and inclusion. 2020 Canada Post Sustainability Report, Indigenous and Northern Affairs, pg. 35.
411-1	Incidents of violations involving rights of Indigenous Peoples	In 2020, Canada Post did not have any legal action or complaint registered against involving the rights of Indigenous Peoples. Canada Post continues to work towards broader strategic objectives on Indigenous and Northern Affairs: 2020 Canada Post Sustainability Report, Indigenous and Northern Affairs, pg. 35.

Human rights assessment		
Disclosure number	Disclosure title	Reference
412-2	Employee training on human rights policies or procedures	2020 Canada Post Sustainability Report, Employee diversity and inclusion, pg. 18.

Local communities		
Disclosure number	Disclosure title	Reference
413-1	Operations with local community engagement, impact assessments, and development programs	Delivery Accommodation Program: 2020 Canada Post Sustainability Report, Delivery Accommodation Program, pg. 34. Indigenous and Northern Affairs: 2020 Canada Post Sustainability Report, Indigenous and Northern Affairs, pg. 35.

Supplier social assessment		
Disclosure number	Disclosure title	Reference
414-1	New suppliers that were screened using social criteria	Canada Post issues guidelines and requirements to all suppliers to comply with best international standards and all applicable laws. For Responsible Investment and Procurement, including Indigenous procurement: 2020 Canada Post Sustainability Report, Responsible investment pg. 9; Responsible procurement, pg. 11.

Public policy		
Disclosure number	Disclosure title	Reference
415-1	Political contributions	Canada Post is a federal Crown corporation and does not make financial or in-kind contributions to political parties or politicians.

Marketing and labelling

Disclosure number	Disclosure title	Reference
417-3	Incidents of non-compliance concerning marketing communications	In 2020, Canada Post did not receive any material fines relating to non-compliance with laws and regulations.

Customer privacy

Disclosure number	Disclosure title	Reference
103	Management approach: security and privacy	Security and privacy: Canada Post upholds the privacy of Canadians by strictly adhering to the Federal <i>Privacy Act</i> , as well as by following leading privacy practices. Canada Post is committed to fulfilling our obligations under the <i>Access to information Act</i> while protecting the information received from its partners, suppliers and customers.
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Security of the mail: 2020 Canada Post Sustainability Report, Security of the mail, pg. 36. 2020 Canada Post Sustainability Report, Privacy, pg. 40.

Socioeconomic compliance

Disclosure number	Disclosure title	Reference
419-1	Non-compliance with laws and regulations in the social and economic area	In 2020, Canada Post did not receive any material fines relating to non-compliance with laws and regulations.

This report captures the progress we're making on our environmental, social and governance responsibilities. We're putting strategies in place, making investments, building positive momentum – and we're just getting started.

*To learn more about how Canada Post is delivering a sustainable future, visit **canadapost.ca/sustainability**.*