



Policy on Corporate Philanthropy

POLICY STATEMENT

As an essential element of its commitment to the principle of Corporate Social Responsibility, it is the policy of Canada Lands Company CLC Limited (CLC) to maintain a corporate philanthropy budget for the purpose of demonstrating good corporate citizenship in the communities in which the company is active.

GENERAL BUDGET CONSIDERATIONS

CLC's Corporate Philanthropy Budget shall:

- be up to one percent of the company's net income before taxes for the previous fiscal year;
- be divided into four budget components – one national budget administered by the Vice President of Public and Government Affairs, two regional budgets devoted to each of the company's two real estate regions (Western and Eastern) administered by the Vice President of Public and Government Affairs, but on the advice of the relevant regional Vice President, and one for Canada's National Tower, administered by the General Manager Canada's National Tower and Vice President ;
- be administered such that
 - the national budget is 40% of the total corporate philanthropy budget
 - Canada's National Tower is 10% (based on geographic presence) and
 - the two real estate budgets combined are 50%;
- be administered such that the 50% portion of the total corporate philanthropy budget devoted to the two real estate regions is, in turn, allocated to each of region budget based on the percentage of the company's net income before taxes for the previous fiscal year generated by the business operations of each of the two regions;
- be administered in a fashion that both serves the interests of the community at large or the communities in which CLC does business as well as the commercial objectives of corporation; and
- where deemed appropriate by Public and Government Affairs, be accompanied by a corporate communications strategy or program that covers all of the company's monetary and in-kind giving (including the corporate philanthropy budget), so that giving is aligned closely with the company's business objectives and highlights CLC as a socially responsible federal Crown corporation.

RECIPIENT SELECTION CONSIDERATIONS

The recipients of CLC's corporate philanthropy allocations shall be recommended by the company's Vice Presidents with the following considerations in mind:

Scope and Relevance

- Does the cause relate directly to one of CLC's endeavours/projects?
- Will the giving have a direct or indirect benefit to CLC with respect to one of its endeavours/projects?



Social Relevance

- Does the cause have a great deal of public support?
- Do supporters receive associated credibility and profile?
- Will stakeholders feel that CLC is exploiting the cause or making a positive difference?

Opportunities

- Does the support help differentiate CLC within its sector?
- Does support enhance the perception of CLC with its audience?
- Are there opportunities to increase the profile of the corporation and enhance the image of the company and its work in various communities across the country?

Quality of Program

- Does the organization have a credible track record?
- Is the organization financially stable?
- If the organization fails to meet objectives, can CLC withdraw without suffering adverse consequences, such as public dissatisfaction?

Leverage Media

- Is the cause of program appealing – in a positive way – to the media?
- Does the program have an existing media partner or partners?
- Can it draw broadcast and print coverage?
- Can CLC's presence be recognized?

Measurability

- Does the organization have the infrastructure to deliver what it promises?
- Does the cause or program lead itself to measurement?
- Does the organization conduct regular evaluations to which CLC would have access?

AUTHORITY

The President and CEO shall have authority to administer the budget for corporate philanthropy in any given fiscal year.

Authorities for disbursements:

- Vice President, Public and Government Affairs (in consultation with Vice Presidents and/or with the President and CEO) – up to \$2,500
- Operational Vice Presidents – up to \$2,500 to a maximum of their allocation
- President and CEO – 2,501 to \$5,000
- Board of Directors – over \$5,000

Original Board Approval Date: October 30, 1998

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