

CEO Update

July 29, 2021



Canada Post and TD form alliance to pilot loans through post offices

I am very excited to share this news. We have entered into a strategic alliance with TD, one of Canada's leading financial service providers, to pilot a new Canada Post personal loan product for Canadians.

We'll begin to offer this product in select post offices in September. Our hope is to expand this right across the country, improving access to financial services for all Canadians, particularly those in rural, remote and Indigenous communities.

We are working closely on this initiative with our bargaining agents, particularly the Canadian Union of Postal Workers (CUPW) and the Canadian Postmasters and Assistants Association (CPAA). I would like to thank Jan Simpson, National President of CUPW, and Brenda McAuley, National President of the CPAA, for their continued efforts to help us set this up for success.

Every year, our post office employees handle five million financial service transactions for customers. Through those transactions alone, about \$2 billion a year move through the post office for customers. Those figures demonstrate our extensive experience in helping customers send, manage and spend their money.

Financial services are an important part of life for Canadians. Still, there's a real need to ensure that everyone can access financial products that meet their needs. By combining our strength in serving the entire country with TD's expertise, we believe we can increase financial and economic inclusion across Canada.

Through the pilot, customers will have access to a simple, flexible personal loan product with TD. It's designed to support needs such as emergency home or car repairs or other sudden life events. The loans will be available in smaller amounts, starting at \$1,000, with one- to seven-year repayment terms. These flexible personal loans can help consumers save on interest when compared to other higher-rate options like higher rate loans and store credit cards, helping consumers get out of debt with affordable monthly payments.

Our people will be trained to answer customers' questions about how to apply, and direct customers to an online application or a toll-free number. TD will work with customer through the approval process.

The loans will carry the Canada Post brand, but they will be provided by TD. Transactions will occur on a dedicated digital platform or over the phone – not in the post office. We are working hard to prepare our employees at the participating locations.

Together with TD, CUPW and the CPAA, we will gauge employee and customer feedback. We all want to make this new program successful, so we can provide this service, and potentially more, to all Canadians.

To all of us, it shows that we can work together and find innovative ways to improve service for Canadians. I look forward to sharing more information on this and many other initiatives soon as we all work together to fulfill our purpose, A Stronger Canada – Delivered.

A handwritten signature in black ink that reads "Doug".