



SUPPORTING OUR COMMUNITY

Can we influence activity and conservation in Canada?



Our community focus is to make Canada a world leader in protecting wild places, and ensure more Canadians play outdoors. It's about activity and conservation – two long-term goals for MEC. To make real progress toward this ambitious Vision (and it is ambitious), we need to do a lot with the resources we have. In other words, provide granting and partnerships to help others, and engage in initiatives that leverage our resources.

OUR COMMUNITY INVOLVEMENT VISION

Canada will be home to the world's most comprehensive network of parks and protected areas, and will sustain the world's most outstanding outdoor playground. Self-propelled activity will be a defining feature of Canadian culture and lifestyle.

FIGURING OUT WHERE WE STAND

We wanted to find out how far along we are in achieving our Vision, and develop a baseline to work from. We discovered:

Our Vision	Current Reality
Canada as a world leader in comprehensive parks and protected areas	<ul style="list-style-type: none"> • Canada ranks 36th in the world in terms of the amount of land under Parks and Protected area status¹ • Less than 10% of our land and less than 1% of our water is protected²
Canada as the world's most outstanding outdoor playground	<ul style="list-style-type: none"> • 46% of MEC members (and 39% of Canadians) believe there is an abundance of outdoor recreation opportunities available³ • 31% of members (and 21% of Canadians) feel able to take advantage of the recreational opportunities available
Self-propelled activity as a defining feature of Canadian culture	<ul style="list-style-type: none"> • 35% of our members (and 23% of Canadians) agree that self-propelled activity is a defining feature of Canadian culture and lifestyle

AN OVERVIEW OF OUR EFFORTS

Over the last two years, we've pushed ourselves to find better ways to leverage our Community Involvement Program. We need to stretch our influence to achieve outcomes that are beyond our sphere of direct control.

We've decided the biggest contribution we can make is to support organizations working on conservation and recreational access. Conservation is about making sure wild spaces remain intact. This is a compelling challenge – and opportunity – because we're one of the few places in the world where these spaces still remain. Unfortunately, they're rapidly disappearing. Recreational access enables people to be active in the outdoors. It's about making sure there are trails for biking, or places to climb or ski. And it's about making sure people have the skills and connections to get outside.

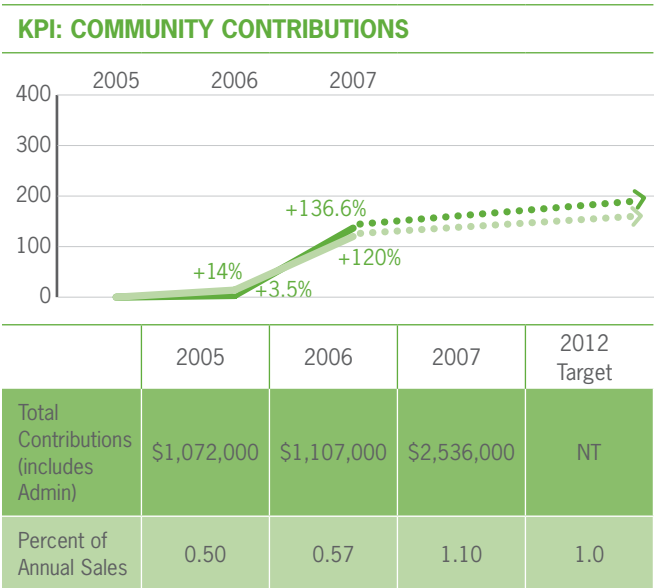
When we joined One Percent For The Planet in 2007, we raised our community contributions budget to the equivalent of 1% of our gross sales. This commitment, coupled with increases in sales, has meant a huge increase in our community contributions. Since 1987, we've contributed \$12 million.

We have stayed the course with our core grant and partnership program, maintaining the level of funds that is distributed through these channels. We recognize that over two decades of grant making in Canada, where less than 2% of philanthropy is directed to environmental causes, we've come to play an important role as a funder and commercial partner in the outdoor and conservation community.

¹ Panel on the Ecological Integrity of Canada's National Parks (2000)
² www.thebigwild.org
³ All survey data from MEC's 2007 Sustainability Survey

COMMUNITY CONTRIBUTIONS

In 2007, we contributed \$2.5 million to conservation and access initiatives, representing 1.1% of our annual sales. (Some of our contributions that support access and recreation are not environmental, so don't count toward our One Percent For The Planet target). For both years, we've kept our administrative expenses below 14% of total community contributions.



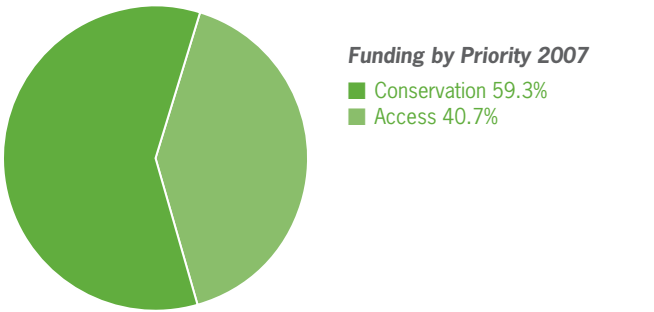
We also donated over \$100,000 dollars to important initiatives such as Red Cross disaster relief and annual green chemistry scholarships for students at the University of British Columbia. These are not included in our overall community contributions.

Grants by Category 2007 ¹	Amount	Percent
Advocacy and Education	\$502,100	22.9
Community Partnerships ²	\$491,700	22.4
Capacity Building	\$456,200	20.8
Access ³	\$232,900	10.6
Research	\$226,600	10.3
Land Acquisition	\$72,000	3.3
Strategic Grants ⁴	\$64,100	2.9
Grassroots Product Donation	\$60,000	2.7
Urban Sustainability	\$53,800	2.5
Expedition support	\$32,500	1.5
Total	\$2,191,900	100%

In addition to contributions, we make recommendations to the Vancouver Foundation for grants from the MEC Endowment Fund for the Environment (with a current balance of \$1.3 million) and the MEC Annual Fund (with a current balance of \$2.3 million).⁵

Most of our grant dollars are awarded twice per year through national and regional granting committees, made up of MEC staff and members from across the country. We have specific

criteria to ensure our grants are outcome focused and strategic. And we require progress reports for bigger grants. That said, we intentionally do not require excessive reporting as we recognize this can be an incredible resource drain on smaller organizations, impeding their ability to create change.



EXTENDING OUR REACH

Through partnerships with other businesses, non-profits, and governments, and increasingly through direct engagement with members, we can increase the impact of our community involvement resources.

In the last two years, we've deepened our relationships with several of our existing partners and stakeholder organizations. Our key national conservation partner is the Canadian Parks and Wilderness Society (CPAWS)⁶. Our main national access partners are the Canadian Avalanche Centre, Leave No Trace Canada, and Paddle Canada. All stores have their own regional partnerships within the recreation community.

We're excited about three major initiatives which we developed in collaboration with others:

- Joining One Percent For The Planet, where we reached out to businesses across Canada through a joint-effort with the Community Foundations of Canada
- Securing access to Skaha Bluffs, where we deepened connections with existing partners, collaborated with government and engaged our membership
- Developing The Big Wild – our deepest partnership and first proactive advocacy initiative focused on engaging members and Canadians – founded by MEC and CPAWS and supported through our Patagonia vendor agreement

¹ For a list of grants awarded in 2007 through our granting program and the Environment Fund, visit www.mec.ca/belief
² Includes grant of \$163,300 for Big Wild from Patagonia Partnership
³ Additional \$650,000 for recreation access through MEC Annual Fund
⁴ Includes grants to Ecotrust, the National Climber's Access Initiative, Hike Nova Scotia, Canadian Environmental Grantmakers' Network, and the Sage Foundation
⁵ 100% of MEC Endowment Fund and MEC Annual Fund investments held in the Vancouver Foundation's Socially Responsible Investment stream
⁶ www.cpaws.org

SAVING SKAHA BLUFFS

At MEC, folks know that outdoor gear is no good if there's nowhere to use it. That's why when MEC Community Program Manager Laurie Edward found out that public access to Skaha Bluffs, one of BC's premiere climbing destinations, was under threat, we got on board.

"Skaha is one of the most important climbing areas in Canada, plus it has tremendous ecological value," says Laurie, who was a driving force behind MEC's efforts. "But the only access was through property owned by a private individual who wanted to sell it, so access was very precarious."

The local climbing community had been working for years to establish permanent public access to the area in the South-Okanagan Similkameen, but had been unable to crack the code of private, development, agricultural and governmental interests to find a solution. MEC brought The Land Conservancy (TLC) on board to put a deal together, and then committed the first \$250,000 toward the purchase of a 304-hectare property adjacent to the Bluffs.

Then we approached our members with an opportunity to contribute. We sent emails to hundreds of people in the MEC climbing community and said we'd match individual contributions dollar-for-dollar up to \$100,000. MEC members contributed \$140,000 to the campaign. "People really responded to this as being something that was completely aligned with what they hoped MEC would do in the world. It was a moment in time that affected a lot of people."

With the financial support from the Province of BC, the Nature Conservancy of Canada, the Climber's Access Society, and other partners, TLC closed the \$5.2 million deal on January 16, 2008. The land is now slated to become a Class A Provincial Park.

"This is a great example of what can happen when like-minded organizations work together towards a common goal," adds Laurie.



Laurie and Tina (Parks Canada) celebrate success.



ONE PERCENT FOR THE PLANET

For more than a decade, we've committed to community contributions as a percentage of sales. In 2007, we joined One Percent For The Planet,¹ an international alliance of businesses that provide financial support to environmental initiatives. We've committed to donating a full 1% of our annual gross sales to Canadian causes. Many of the projects we fund also have recreation access and activity benefits. For us, this is the ultimate win – to achieve progress toward both conservation and access objectives. One Percent For The Planet independently verifies its member contributions.

To spread the word about this program to other Canadian businesses and environmental organizations, we partnered with the Community Foundations of Canada (CFC), a membership association for Canada's 155 community foundations. MEC and CFC helped raise awareness of One Percent for the Planet in Canada in both French and English, and combined MEC's media reach with CFC's programs to promote membership in the Canadian business community. Since we started participating, we've witnessed a doubling of Canadian membership.

Our most successful community efforts are driven by or rooted in our stores. Grassroots change is powerful. Our store staff understand the needs of their local community better than anyone, and they're empowered to make decisions. In addition to granting and partnerships, stores share offices with environmental groups, provide products for fundraising, and even pay staffing for events. They support local recreation access and conservation groups with space for meetings, in-store displays, and slide shows.

ON THE HORIZON – ACTIVITY ALERT

Rates of self-propelled activity, and participation in outdoor recreation, are dramatically declining in Canada.² Where's our next horizon? We're going to invest more deeply in recreation and access. We're also going to focus on a startling issue – the decline in outdoor activity and in particular, low rates of participation among Canadian youth and recent immigrants.

Our community contributions have always supported access and recreation. But we can do more. We want to build on our existing partnerships and more proactively support the outdoor community, particularly youth. We'll be reviewing our program next year to develop an Activity Strategy.

RECREATING RESPONSIBLY

In addition to increasing opportunities for activity, we encourage responsible recreation. This includes acknowledging tensions between activity and conservation – and recreating within the carrying capacity of land or water areas. Through our advocacy, granting (such as access grants), and our partnership program, we work to support a healthy balance of ecological protection and outdoor recreation.

In 2005, we were a founding partner to establish Leave No Trace Canada – a national non-profit dedicated to promoting and inspiring responsible outdoor recreation through education, research and partnerships.³ We currently sit on their Board and also provide financial support to hire staff, develop programs, and build capacity to become a self-sustaining organization.

We will continue our focus on responsible recreation and intend to further engage our membership through The Big Wild Challenge and other initiatives.

¹ www.onepercentfortheplanet.org

² Pergams and Zaradic, "Evidence for a fundamental and pervasive shift away from nature-based recreation", PNAS, vol. 105, no.7, Feb 2008

³ www.leavenotrace.ca



PROTECTING CANADA'S WILD PLACES

Canada is home to one of the world's last remaining wild areas (about 20% of what's left on the planet). Currently less than 10% of this land is protected. That's where The Big Wild comes in. We are inspired by the vision to keep at least half of Canada's public land and water wild forever.

The Big Wild is a long-term social networking initiative to engage Canadians in a wilderness conservation movement. Founded by CPAWS and MEC, it centres on The Big Wild Challenge – an annual call to Canadians to be active in the outdoors and dedicate their adventures to conservation.

This initiative meets our objective of stepping up to address one of Canada's most pressing issues, the protection of our wild places. It's the first time we've proactively developed an advocacy campaign to help Canadians engage in an important public policy discussion toward long-term conservation.

And it was largely instigated by our members. Our elected Board members have long supported wilderness conservation. In 2006, we conducted an advocacy survey where wilderness protection was rated as the most important issue for us to take a stance on. Eighty-two percent told us that wild areas should be protected regardless of their recreational value.

Check out thebigwild.org.

LOOKING BACK

2005 Actions

	Target
In 2006 MEC will increase its contributions to 0.5% of our sales to conservation and access issues in Canada	Made
In 2007, MEC will contribute the equivalent of 1% of sales to conservation and access issues in Canada (Join 1%FTP)	Made
Donate 70% to conservation and 30% to access in 2006	Made
Develop system to track in-kind donations and product discard donations in 2006	Made
In 2007, MEC will develop a national campaign with CPAWS	Made

REACHING FURTHER

Strategic Goals:

- Increase culture of recreation and activity in Canada.
- Increase conservation of ecologically and recreationally important places.

2012 Targets	Target Date
Maintain 1% of annual gross sales to support the environmental community	annual
At least 40% of community contributions support activity and access	2012
200,000 Canadians sign onto www.thebigwild.org	2012
Actions	
Conduct a community program review, to develop and implement a strategy to engage Canadians, particularly youth and other cultures, in self-propelled outdoor recreation	2009
100,000 Canadians sign onto www.thebigwild.org	2009