



Canada Post – Greenhouse Gas Emissions Report

INTRODUCTION

This greenhouse gas (GHG) inventory, prepared in accordance with the Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard and Scope 2 Guidance, reflects the activities of Canada Post Corporation (CPC) for the GHG scopes and categories as outlined in the following table, and was developed following an operational control consolidation approach. This report covers the reporting period for the year ended December 31, 2024, along with the prior year ended December 31, 2023, and base year ended December 31, 2019, for comparative purposes.

GHG EMISSIONS (kt CO₂e)

Description	2024	Absolute change (2024-2023)	Percent change (2024-2023)	2023	Absolute change (2024-2019)	Percent change (2024-2019)	2019
Scope 1 emissions							
Heating	30.0	-1.9	-6%	31.9	-10.2	-25%	40.2
Owned fleet	59.8	-6.6	-10%	66.4	-7.4	-11%	67.2
Fugitive emissions	2.2	0.5	29%	1.7	1.8	450%	0.4
Total scope 1 emissions	92.0	-8.0	-8%	100.0	-15.7	-15%	107.7
Scope 2 emissions							
Electricity (location-based)	28.5	-0.8	-3%	29.3	-6.3	-18%	34.7
Electricity (market-based)	11.5	-3.8	-25%	15.3	-17.7	-61%	29.2
Total scopes 1 and 2 emissions (location-based)	120.5	-8.8	-7%	129.3	-22.0	-15%	142.5
Total scopes 1 and 2 emissions (market-based)	103.5	-11.8	-10%	115.3	-33.4	-24%	136.9
Scope 3 emissions							
Category 1: Purchased goods and services	92.4	-19.3	-17%	111.7	-55.8	-38%	148.2
Category 2: Capital goods	38.7	-6.3	-14%	45.0	-2.2	-5%	40.9
Category 3: Fuel- and energy-related activities	30.6	-2.1	-6%	32.7	-8.1	-21%	38.7
Category 4: Upstream transportation and distribution	404.1	-45.5	-10%	449.6	-101.0	-20%	505.1
Category 5: Waste generated in operations	9.2	-1.5	-14%	10.7	5.2	130%	4.0
Category 6: Business travel	6.5	-3.7	-36%	10.2	-8.5	-57%	15.0
Category 7: Employee commuting	76.8	-7.9	-9%	84.7	-11.9	-13%	88.7
Category 12: End-of-life treatment of sold products	0.5	0.0	0%	0.5	0.2	67%	0.3
Category 15: Investments	114.2	-10.5	-8%	124.7	11.8	12%	102.4
Total scope 3 emissions	773.0	-96.7	-11%	869.7	-170.4	-18%	943.4



BASE YEAR AND RECALCULATIONS

CPC developed its science-based emissions reduction target in 2020, setting its base year as 2019 using the most current GHG inventory data available. Targets in place (approved by the SBTi) include:

- 50% reduction in scope 1 and 2 (market-based) emissions by 2030 from 2019
- Net-zero emissions across scopes 1, 2 (market-based) and 3 by 2050 from 2019

CPC conducts regular reviews of its GHG emissions calculation methodologies to incorporate new data sources as they become available, to refine calculations and to reflect any significant changes to our business. The significance threshold applied to trigger a restatement of base year and subsequent year emissions is a difference of 5% or higher from original calculations.

In 2024, CPC completed the divestiture of two subsidiaries – Innovapost Inc. and SCI Group Inc. triggering a restatement as outlined below.

- The equity shares of emissions from these two subsidiaries were originally accounted for through our scope 3 emissions reported under category 15 (investments). As a result of the sale, the company restated its historic emissions data dating back to the baseline year (2019) for its net-zero target. In alignment with guidance from the Greenhouse Gas Protocol, the scope 3 category 15 data were restated to remove the emissions from these two subsidiaries and the scope 3 category 1 (purchased goods and services) and category 2 (capital goods) data were restated to add the emissions related to CPC's spend with SCI Group Inc. and Innovapost Inc., which included flow through spend on IT-related suppliers previously under the management of the Innovapost entity.

Additionally, in 2024 CPC switched scope 3 category 1 and 2 emissions calculations to incorporate emission factors developed by the United States Environmental Protection Agency (EPA) through the United States Environmentally-Extended Input-Output (USEEIO) models. These emission factors more accurately reflect the North American business context and are updated more frequently than previous emission factors. Emissions in these categories were restated to reflect this update back to 2019.

METHODOLOGY

GHG emissions calculations include emissions from CO₂, CH₄, N₂O and HFCs. CPC emissions do not include any sources of PFCs, SF₆ or NF₃ gases. Global Warming Potentials from the Intergovernmental Panel on Climate Change's Assessment Report 5 are used to convert the emissions of each GHG to CO₂ equivalents.

Scope 1 methodology

Heating

Natural gas, heating oil, propane and diesel are used in CPC's buildings. Consumption data is collected from utility bills and captured for all owned or leased facilities where CPC has



operational control. Emission factors by province/territory are taken from Canada's National Inventory Report (NIR) and are updated annually.

Fugitive emissions

CPC collects data on refrigerant leaks for all facilities where equipment servicing was required during the reporting period. Emission factors are taken from the California Air Resources Board.

Owned fleet

Vehicle fuel consumption for all of CPC's owned fleet vehicles is taken from fuel cards used to pay for fuelling of its vehicles. Fuel types consumed include gasoline, diesel and propane, and the biofuel and ethanol content is not considered. Where the fuel type is not specified in the fuel card data, it is assumed to be gasoline. Emission factors from Canada's NIR are used.

Exclusions

CPC kiosks as well as leased facilities in which the landlord is contractually responsible for the heating are excluded from inventory calculations as they are outside the boundary of operational control.

Scope 2 methodology

Electricity (location-based)

Electricity consumption data is collected from utility bills and aggregated at the provincial and territorial level. Emission factors by province/territory are taken from Canada's NIR.

Electricity (market-based)

Electricity consumption data is collected from utility bills and aggregated at the utility provider level. Where available, utility-specific emission factors published by the utility provider are applied. Provincial/territorial location-based factors from Canada's NIR are applied where utility-specific emission factors are not available. Renewable Energy Credit (RECs) are applied from Power Purchase Agreements (PPAs) in Alberta and the Renewable Energy Subscription Service (RSS) in Saskatchewan. Note that residual mix emission factors are not currently available in Canada to account for voluntary purchases of renewable energy which may result in double counting between electricity consumers.

Exclusions

CPC kiosks as well as leased facilities in which the landlord is contractually responsible for the electricity are excluded from inventory calculations as they are outside the boundary of operational control.

Scope 3 methodology

Category 1: Purchased goods and services

GHG emissions from CPC's purchased goods and services were estimated by multiplying the dollar value of payments made during the reporting period by either supplier-specific or sector-specific emission factors. For our largest suppliers, CPC obtains actual supplier



emissions data through our CDP Supply Chain Membership. Supplier-specific emission factors were determined using the reported revenue and scope 1, scope 2 (market-based, or location-based when market-based is not available) and upstream scope 3 GHG emissions for the supplier or its parent organization. The most recently available data collected by CDP closest to the applicable reporting period was used (except for the 2019 reporting period, for which data collected by CDP in 2022 was used). For suppliers who do not submit their GHG emissions through CDP or where the GHG emissions were not considered complete, sector-specific emission factors from the US Environmental Protection Agency's (EPA's) Environmentally-Extended Input-Output (USEEIO), which were adjusted for an estimate of inflation, were used. Where the sector of the supplier could not be readily determined, an average emission factor was applied to the spend based on the intensity of the total emissions per total dollars spent for our other suppliers in the reporting period. Exclusions from this category's emissions include material and easily classifiable vendors related to government (i.e., counties, municipalities, cities, provinces, ministries) and other postal services and postal associations, as well as vendors whose emissions are classified elsewhere in our inventory, such as utilities, transportation and subsidiaries. In 2019, due to data limitations, a portion of our payments were missing from the data and were estimated using comparable data from 2022 and 2023. The estimated spend was then multiplied by the average emission factor described above, which represented 28% of the total emissions in this category in 2019. In 2024, 38% of emissions in this category were calculated using data obtained from suppliers.

Category 2: Capital goods

GHG emissions from CPC's capital goods were estimated following the same methodology used for Category 1 emissions. In 2024, 58% of emissions in this category were calculated using data obtained from suppliers.

Category 3: Fuel- and energy-related activities

Emissions were calculated for fuel- and energy-related activities (not included in scopes 1 or 2) by totalling activity data for each scope 1 fuel type by province/territory and multiplying by relevant emission factors from DEFRA's Greenhouse Gas Reporting Conversion Factors. Scope 2 activity data (electricity use by province/territory) was multiplied by the difference between consumption and generation emission factors from Canada's National Inventory Report (NIR) to determine transmission and distribution loss. To determine upstream extraction and refining of generation of electricity, scope 2 activity data was multiplied by relevant emission factors from DEFRA's Greenhouse Gas Reporting Conversion Factors. In 2024, 100% of emissions in this category were calculated using data obtained from suppliers.

Category 4: Upstream transportation and distribution

Sources of emissions for this category include third-party domestic regional ground transportation, national ground transportation, international ground transportation, transport from our Rural and Suburban Mail Carriers (RSMC) and Combined Urban Services (CUS) vehicles, rail transportation, sea tanker transportation, domestic air transportation, and international air transportation. For domestic regional ground, national ground and international ground transportation, CPC relies on kilometre data provided by contractual



agreements with third-party transport vendors. For ad-hoc services outside of these contractual agreements, we estimate the kilometres by determining the dollar spend on ad-hoc services as a proportion of the dollar spend on domestic regional scheduled services and then multiplying this proportion by the total kilometres for domestic regional scheduled services. We estimate fuel use using average fuel efficiency from a recent fuel standard for both regional and long-haul transportation networks – based on the NRCan Fuel Efficiency Benchmark in Canada's Trucking Industry. The estimated fuel use is multiplied by an emission factor for diesel fuel use, which is the assumed fuel type, taken from Canada's NIR. RSMC and CUS drivers are CPC employees who primarily use their own personal vehicles to deliver the mail. CPC relies on kilometre data provided by contractual agreements with these drivers to determine distance travelled and combines this with an average fuel efficiency to estimate fuel usage. The estimated fuel use is multiplied by an emission factor for gasoline fuel use, which is the assumed fuel type, taken from Canada's NIR. For the sources where kilometre data provided by contractual agreements is used, the kilometres for the 2024 reporting period were adjusted to reflect a reduction due to the temporary suspension of these services during the employee strike action. CPC data for third-party rail and sea shipments includes weight in tonnage and kilometres transported for all trips taken in the reporting year. Tonne-kilometre data is calculated, and emissions factors per tonne-kilometre taken from the Railway Association of Canada Locomotive Emissions Monitoring Report or DEFRA's Greenhouse Gas Reporting Conversion Factors, respectively, is applied to this. For domestic/international air transport, data is collected regarding distance and weight of items transported by domestic and international air, including the tonne-km data for each individual trip by flight. The tonne-kilometres is then multiplied by the applicable short- or long-haul emission factor based on the distance between the initial departure location and final destination location taken from DEFRA's Greenhouse Gas Reporting Conversion Factors. We also calculate all well-to-tank (WTT) emissions in this category to ensure we capture the full well-to-wheel emissions. Relevant WTT emission factors are taken from DEFRA's Greenhouse Gas Reporting Conversion Factors. In 2024, 0% of emissions in this category were calculated using data obtained from suppliers.

Category 5: Waste generated in operations

Sources for emissions for this category include the disposal and treatment of waste generated by CPC's operations. Where possible, waste data in tonnes is obtained from our facilities management company and categorized by disposal method. For other sites, waste tonnage by disposal method is estimated based on averages for the type of facility and its square footage. Waste tonnage is then converted into carbon emissions by applying an emission factor by disposal method from the EPA GHG Emission Factors Hub. In 2024, 55% of emissions in this category were calculated using data obtained from suppliers.

Category 6: Business travel

Sources of emissions for this category include air travel, rail travel, rental vehicle use, taxi use, and kilometres reimbursed from use of personal vehicles used by CPC employees for business travel purposes. For each of these sources, primary data on kilometres travelled is compiled from our travel management system or directly from the third-party transportation providers.



For air travel, kilometre data is converted into kt CO₂e based on emission factors taken from DEFRA's Greenhouse Gas Reporting Conversion Factors. For rail travel, kilometre data is converted into kt CO₂e using an emission factor based on DEFRA's passenger rail tonne CO₂e/km. For rental vehicles, taxi use and employee-reimbursed kilometres, an average fuel consumption factor by vehicle type was taken from a NRCan Fuel Consumption report. This fuel consumption was then applied to the kilometre data to estimate fuel use by vehicle type. The estimated fuel use was then multiplied by an emission factor for gasoline fuel use, taken from Canada's NIR. We also calculated all well-to-tank (WTT) emissions in this category to ensure we capture the full well-to-wheel emissions. Relevant WTT emission factors are taken from DEFRA's Greenhouse Gas Reporting Conversion Factors. In 2024, 100% of emissions in this category were calculated using data obtained from suppliers.

Category 7: Employee commuting

CPC used geographic information systems (GIS) data to determine the distance its full-time employees travel to work. Estimates of commuting distance were calculated using the straight-line distance between the employee's home and work postal code, rather than the actual route of commuting. For the 2024 reporting period, the number of commuting days was adjusted to reflect a reduction in the number of days of employee commuting during the employee strike action. For employees that were not required to work in office five days a week, it was assumed that they were not commuting to their assigned office more than the minimum number of days that they were mandated to work in office. Modes of transport for employee commuting were estimated using the latest census data taken from Statistics Canada on commuting practices for each province/territory. Average fuel efficiencies (litres/km) for all vehicle classes were taken from NRCan's annual Fuel Consumption Rate data and applied to the employee commuting distances to estimate total fuel consumption by car. For public transit, average fuel efficiencies and bus occupancy rates for Toronto Transit Commission (TTC) buses were used to estimate fuel consumption and emission factors for fuel consumption from Canada's NIR were then applied to the fuel consumption by mode of transit to calculate emissions. We also calculated all well-to-tank (WTT) emissions in this category to ensure we capture the full well-to-wheel emissions. Relevant WTT emission factors were taken from DEFRA's Greenhouse Gas Reporting Conversion Factors. In 2024, 100% of emissions in this category were calculated using data obtained from suppliers.

Category 12: End-of-life treatment of sold products

Sources of emissions for this category include packaging products sold at CPC retail locations and to commercial customers for shipping purposes. The sold material is categorized into type of material (plastic or paper). The weight was then converted into carbon emissions by applying an emission factor by waste type from the EPA GHG Emission Factors Hub. In 2024, 100% of emissions in this category were calculated using data obtained from suppliers.

Category 15: Investments

Sources of emissions for this category include CPC's equity share of emissions from its Purolator subsidiary. Emissions were calculated using actual emissions data reported by the subsidiary where available, otherwise estimates were made using subsidiary revenue in the



reporting year and applying a sector-based emissions factor to CPC's equity share of the subsidiary. In 2024, 100% of emissions in this category were calculated using data obtained from our subsidiary.

Not included in scope 3 reporting: Categories 8, 9, 10, 11, 13, 14

Category 8: Upstream leased assets is not included as all emissions from CPC's leased assets are included in our scopes 1 and 2 inventory.

Category 9: Downstream transportation and distribution is not included as CPC does not have any transportation or distribution that occurs after the point of sale.

Category 10: Processing of sold products is not included as CPC products are comprised of stamps, packaging and envelopes which are final products and not intermediate products. Therefore, consistent with the GHG protocol scope 3 methodology, final products are excluded from the scope 3 boundary. As such, CPC has excluded processing of sold products from its GHG inventory.

Category 11: Use of sold products is not included as emissions from the use of our delivery services are included in our scopes 1 and 2 emissions reporting. No fuel or electricity is consumed during the use of our packaging products. As such, no scope 3 emissions are generated from the use of our products and services.

Category 13: Downstream leased assets is not included as CPC does not lease any buildings to third parties.

Category 14: Franchises is not included as CPC does not operate any franchises.