# Canada Post Net Zero 2050 Roadmap



A Stronger Canada – Delivered

At Canada Post, we recognize that Canadians expect us to view our responsibility to the country through a wider lens – beyond the services we provide. Our wider responsibility includes the need to address the serious risks that climate change poses to Canada's environment, people and businesses, including ours.

Canadians want us to help protect the environment for future generations. We can do so by continuing to reduce our environmental impact. Our impact is considerable because to fulfill our mandate and provide all Canadians with an essential service, we operate the largest delivery network in Canada and one of the country's largest fleets of vehicles.

Canada Post supports Canada's transition to a low-carbon economy. We have committed to net zero greenhouse gas (GHG) emissions in our operations by 2050. Achieving net-zero emissions means we will reduce emissions associated with our operations as much as possible and offset the remainder of our emissions. This is in keeping with the associated principles of the Paris Agreement.

### Our 2030 target

We also set a 2030 target in accordance with criteria from the <u>Science Based Targets initiative</u> (SBTi), which provides a clear pathway for reducing emissions. The SBTi approved our target in May 2021. We will measure our progress against our 2019 GHG baseline.

### Canada Post's science-based target has three main components:

- Scope 1 and 2 GHG reduction target of 30% by 2030 (against our 2019 baseline)
- to source 100 per cent renewable electricity for its facilities by 2030
- Engagement target with top suppliers and subsidiaries: 67% of vendors by spend and 100% of subsidiaries to adopt a SBT by 2025.

### **Our carbon footprint**

Our 2019 baseline emissions from our direct operations (Scope 1 and Scope 2) account for 12% of our total GHG emissions. The vast majority (88%) of our GHG emissions come from Scope 3 activities in our supply chain. We have committed to work with our suppliers to encourage them to set a SBT and will look for opportunities to collaborate with our partners to improve their footprint.

### Scope 1 Emissions

#### **Direct emissions: 9%**

From sources we own or control such as on-site combustion for heating or cooling and fuel for our fleet.

### Scope 2 Emissions Indirect emissions: 3%

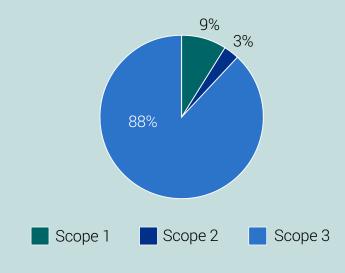
From the generation of purchased electricity.

#### **Scope 3 Emissions**

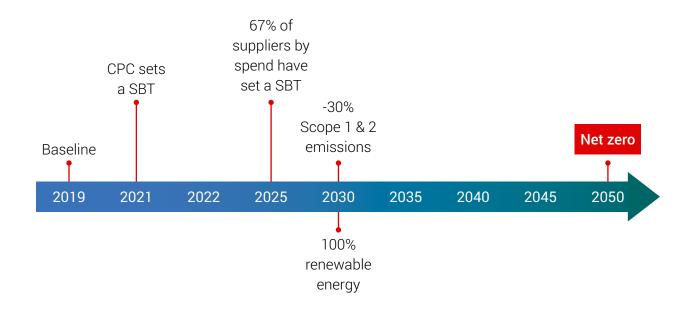
### All other indirect emissions: 88%

From our supply chain, such as purchased goods and services, upstream and downstream transport.

# Canada Post's total GHG emissions by scope (in kilotonnes CO<sub>2</sub>)



### **Our net zero pathway**





## **Our Climate Action Plan**

### **Buildings**

We have worked with a leading engineering company to develop a net zero plan for our vast portfolio of existing buildings. We will be looking at a number of solutions, including optimizing operating systems such as HVAC in buildings, fuel switching, capital equipment upgrades, converting lighting to LED and installing solar panels.

We have also committed to build new facilities to be net-zero carbon ready. We also built our newest facility, the Ontario East Processing Centre, to the Canada Green Building Council's Zero Carbon Building Design standard.

### Fleet

We already have the largest fleet of hybrid vehicles in Canada, but must do much more to achieve our net-zero target. We are introducing electric vehicles into our fleet, as well as vehicles running on low-carbon fuels such as compressed and renewable natural gas.

We will continue to reduce emissions across our fleet by using space more efficiently in our vehicles, optimizing our routing, reducing fuel consumption through driver behaviour, switching to alternative fuels and driving innovation for new low-carbon vehicles such as e-cargo trikes.



### **Renewable electricity**

We have also committed to increasing the proportion of renewable electricity that we purchase in our facilities to 100% by 2030. We will achieve this through power purchase agreements, green tariffs, the purchase of renewable energy certificates and on-site clean electricity production.

Alongside established forms of renewable electricity, such as wind and solar, we are also exploring the feasibility of renewable thermal energy generated from sources such as biogas and biomass.

### Supplier engagement

Because the largest percentage of our emissions comes from our supply chain, an important part of our commitment involves engaging our suppliers and subsidiaries to set their own SBT by 2025. We will work with them closely and engage the tools at our disposal to drive a low-carbon supply chain.

We also commit to working closely with our logistics providers to accelerate the use of lowcarbon solutions. Recognizing that no company can achieve this alone, we are connecting with green logistics programs, the logistics industry, government organizations and NGOs, as well as benchmarking and auditing organizations.

The new infrastructure and technologies needed to transform transportation and help the switch to alternative forms of fuel are developing rapidly. By 2050, hydrogen and long-haul electric powered vehicles, with their zero tailpipe emissions, will play a key role in our transportation mix across all distances. Biofuels will play an important role in the future of air freight. We are following these innovations closely.

### **Carbon-neutral shipping solutions**

We ship over a million packages and hundreds of thousands of letters each day. Our customers are as concerned as we are about the impact shipping has on the environment. While our delivery model generates less greenhouse gas than traditional courier delivery, we understand that our customers and Canadians are looking to reduce the environmental impact of their shipments.

That is why we will be investing in carbon neutral shipping solutions for parcels and mail in 2022.

### **Carbon offsets**

Where we cannot reduce emissions directly, we will look – as a last resort – into options to remove GHG emissions from the atmosphere as a way to counterbalance those emissions that we cannot reduce directly.

Removing GHGs using natural solutions in Canada and around the world, as well as technologies such as direct air capture and carbon storage, are not alternatives to tackling high emitting activities. However, these short-term solutions will play a role in helping us reach our goal of net zero. By investing in these solutions now, we can help ensure they are ready to deliver at scale by 2050.

### Zero waste

We have a target to achieve zero waste in our operations by 2030. This means avoiding, recycling, composting and reusing materials where possible.

Eliminating single-use plastics in our offices, cafeterias, events, meetings and operations is another key area of focus. We are looking to work with our suppliers and customers to find alternative solutions.

### **Transparency and reporting**

Canada Post is committed to transparency and disclosure. We have reported our key environmental performance metrics and targets each year since 2007. Reporting on our progress and measuring the impact of our 2050 Roadmap will improve our approach and demonstrate accountability to our stakeholders. We also recognize the importance of the work of the Financial Stability Board's (FSB's) <u>Task Force on Climate-related Financial Disclosures</u> (TCFD) to establish a framework for companies to develop voluntary and consistent climate-related disclosures. Canada Post will be aligning its reporting with TCFD.

Canada Post expects to release its full climate strategy and interim emission targets in 2022.

To read more: canadapost.ca/sustainability



## **UN Sustainable Development Goals**

We support the <u>United Nations Sustainable Development Goals</u> and our operations contribute towards the following goals:



Good health and well-being



Industry, innovation and infrastructure



Responsible consumption and production



Affordable and clean energy

Gender equality



Climate action



Decent work and economic growth

