UNITED STATES
POSTAL SERVICE ®

2023 ANNUAL
Sustainability
Report

PUTTING OUR STAMP ON
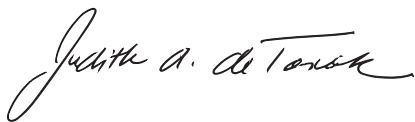A GREENER TOMORROW®

Table of Contents

Putting our Stamp on a Greener Tomorrow™

We all experienced that 2023 was the hottest year on record for the planet. The record heat reminded us all of the increased role and importance of sustainable practices at work, at home and all facets of our lives. As the world's largest post we believe implementing sustainable practices improves our operations. Building supply chain resilience, increasing clean energy use and reducing waste are just some examples of actions we're taking that will have positive effects for our employees, customers, environment and communities we serve. It's our responsibility to emerge from the pandemic as a sustainability leader. Our Annual Sustainability Report raises awareness of our efforts to integrate sustainability into our practices. It describes our social, economic and environmental impacts, as well as our progress towards our wide-ranging sustainability goals as we continue to push ourselves towards becoming a greener organization.

This report provides an overview of our organization, our sustainability mission and key areas of focus. The Postal Service takes pride in reporting our successes, areas for continued improvements and goal setting. We take our role as sustainability leaders seriously and are always seeking feedback from the public. Please email us at sustainability@USPS.gov and help us continue to deliver for our customers and the planet.

We will continue to move aggressively toward our targets to reduce greenhouse gas emissions, energy and fuel use, and waste in the coming year. Look for updates on our endeavors at usps.com/green, Facebook, Instagram, X (formally Twitter) and LinkedIn.

Thank you for joining us.

Judith A. de Torok
Vice President, Corporate Affairs

USPS at a Glance

The mission of the United States Postal Service is:

- Serve the American people and, through our universal service obligation, bind our nation together by maintaining and operating our unique, vital and resilient infrastructure.

- Provide trusted, safe and secure communications and services between our government and the American people, businesses and their customers, and the American people with each other.

- Serve all areas of our nation, making full use of evolving technologies.

The Postal Service shall have as its basic function the obligation to provide postal services to bind the Nation together through the personal, educational, literary, and business correspondence of the people. It shall provide prompt, reliable, and efficient services to patrons in all areas and shall render postal services to all communities.

Source: Title 39 U.S. Code 101(a)

FACTS AND FIGURES

The Postal Service is the core of the nation's
$1.6 trillion mailing industry

Mailpieces processed and delivered annually
127 billion

Total operating revenue
$78 billion

44% of the world's mail volume handled by the Postal Service

165,000,000 city, rural, PO Box and highway delivery points

Headquarters
Washington, DC

635,369 total career and non-career employees

81% career employees
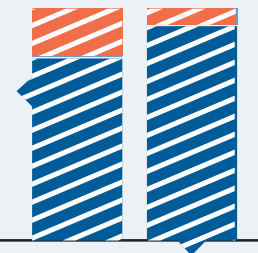
92% career employees covered by collective bargaining agreements

33,641 Post Offices stations, outlets and branches

236,532 total vehicles. USPS has a fleet of **32,149** alternative fuel-capable vehicles

6,613 carriers deliver on foot

51 carriers deliver on bicycles

13.8 billion U.S. postage stamps printed

Nine solar photovoltaic projects generated **19,378 MWh** of renewable electricity at USPS facilities

Goal Snapshot

Greenhouse Gas Emissions

Goal

- Reduce Scope 1 and 2 emissions 25% from FY2019 by FY2030
- Reduce Scope 3 emissions 20% from FY2019 by FY2030

Progress

Scope 1 and 2 Emissions

- FY2022 Scope 1 and 2: 5.6% reduction from 2019

Scope 3 Emissions

- FY2022 Scope 3: 1.9% reduction from 2019

Scope 1&2 Emissions

MT CO_2e (thousands)

2019	2020	2021	2022
4101	3944	3804	3870

FY2030 GOAL SCOPES 1 & 2

25% reduction from FY2019

Scope 3 Emissions

MT CO_2e (thousands)

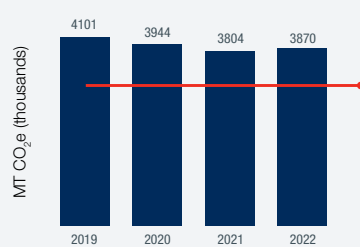| 2019	2020	2021	2022
2273	2119	2425	2230
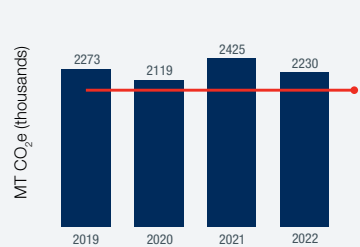
FY2030 GOAL SCOPE 3

20% reduction from FY2019

Energy Intensity

Goal

- Reduce facility energy intensity 25% from FY2019 by FY2030

Progress

- FY2022: 7% reduction from 2019

BTU/GSF (thousands)

2019	2020	2021	2022
70	67	65	65

FY2030 GOAL

25% reduction from FY2019

Waste Diversion

Goal

- Achieve a 75% diversion rate by FY2030

Progress

- FY2021: 65.5% waste diversion rate

Waste Diverted (%)

2019	2020	2021	2022
59.4%	62.6%	64.5%	65.5%
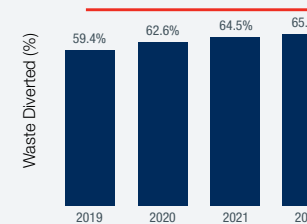
FY2030 GOAL

75% waste diversion

Water Intensity

Goal

- Reduce potable water intensity 20% from FY2019 by FY2030

Progress

- FY2022: 4.3% increase from 2019

Water Intensity

gal/GSF

2019	2020	2021	2022
8.2	8.6	9.3	8.7

FY2030 GOAL

20% reduction from FY2019

Sustainability Management Approach and Establishment of the Environmental Council

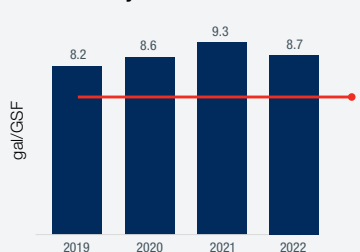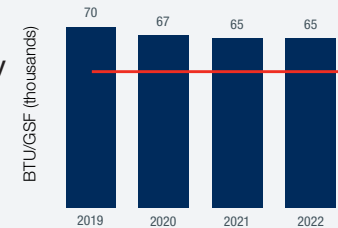Sustainability is integral to making sure we can carry out our mission today and in the future. We strive to create a culture of conservation by integrating sustainable business practices among our employees, across our organization, and with our suppliers and customers. We leverage the depth of our organization and our strategic partnerships to make sustainability focused decisions throughout our daily operations. We also innovate to identify new ways to conserve our resources and more efficiently move the mail. We understand the direct impact we have on the communities we serve and the importance of our role as a sustainability leader.

To help share our progress toward sustainability, in addition to this report, the Postal Service submitted a CDP report in FY2023. CDP is a not-for-profit organization that runs a global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. Each year, CDP takes the information supplied in its annual reporting process and scores companies and cities based on their journey through disclosure and toward environmental leadership. We believe it will help other organizations better understand where the Postal Service stands as an organization and further cement our commitment to sustainability.

Environmental Commitment Letter and Environmental Council

The Postal Service remains committed to advancing our sustainability goals by reducing greenhouse gas emissions, energy and fuel use, and waste. In 2022, Postmaster General and Chief Executive Officer Louis DeJoy signed a Commitment to Environmental Excellence with a focus on launching new environmentally focused priorities into business planning and ongoing operations.

To ensure the success of these environmental initiatives, every postal employee is encouraged to actively contribute to sustainability efforts, helping to foster a culture of environmental awareness and responsibility throughout the organization. The Postal Service provides training, resources and incentives to empower employees to make sustainable choices in their daily work activities.

South County VMF Rain Garden

The establishment of our Environmental Council in 2023 demonstrates a strong commitment to sustainability and environmental stewardship. The council consists of members from the Executive Leadership Team and subject matter experts across USPS. It serves as a dedicated body focused on advancing our organization's sustainability goals by ensuring the integration of environmental priorities into all aspects of our operations.

By establishing the Environmental Council, the Postal Service seeks to maintain the credibility of our environmental leadership position. The council's work aligns with our organization's commitment to environmental excellence as outlined by the Postmaster General. Through ongoing support for activities and initiatives that reduce the carbon footprint of the Postal Service, the council aims to ensure that sustainability remains a core component of USPS business planning and operations. Through collaboration, innovation and a shared commitment to environmental stewardship, the council helps the Postal Service make a positive difference for the environment while maintaining our commitment to Delivering for America.

Environmental Commitment Letter

Louis DeJoy
*Postmaster General and
Chief Executive Officer*

LOUIS DEJOY
POSTMASTER GENERAL, CEO

UNITED STATES POSTAL SERVICE ®

January 2022

UNITED STATES POSTAL SERVICE COMMITMENT TO ENVIRONMENTAL EXCELLENCE

The United States Postal Service is committed to continuously advancing our sustainability goals and environmentally focused solutions that reduce greenhouse gas emissions, energy, fuel, and waste. The framework for our environmental commitments is focused on:

- Meeting or exceeding compliance with all applicable environmental laws and regulations.

- Leading by example on environmental excellence and stewardship within the Federal sector.

- Ensuring that environmental, sustainability, and climate adaptation priorities are a key part of our business planning and decision-making processes at all levels of the organization.

- Integrating pollution prevention, waste and energy reduction, recycling, and reuse of materials into our operations.

- Investing in new vehicles and technology that champion sustainable and environmentally focused solutions.

- Using continuous improvement principles to assess and enhance our environmental and sustainability management policies and programs and reporting on our progress.

- Asking every employee to take ownership and responsibility for our environmental commitments.

- Incorporating environmental management policies and sustainability best practices throughout our supply chain.

The Postal Service is committed to transparency and accountability as we work toward achieving our environmental targets. Please refer to the Annual Sustainability Report for more information on the Postal Service commitment to environmental leadership.

Louis DeJoy

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Encouraging Market Relevance and Innovation

The scale of our operations requires continuous improvement and innovation. We encourage our employees to always consider how we can more efficiently, effectively and sustainably transport the mail. Reducing greenhouse gas emissions, conserving energy and implementing other sustainability initiatives are important parts of our Delivering for America plan.

Delivering for America: Second Year Progress Report

In 2021, we launched Delivering for America, a 10-year strategic plan to modernize and revitalize the Postal Service. Ambitious in its scope yet realistic in its promise, the plan is a transformational roadmap to building operational excellence, financial stability and a sustainable future for this essential national institution. Our year two update highlights some of the tremendous progress we've already made.

The gains from our phased approach to improving service reliability have been significant. We have already reversed years of declining reliability and are close to meeting the primary objective of 95% on-time performance across all mail types. Since the middle of FY2021, on-time delivery performance has improved significantly and consistently across all product categories, and by the end of FY2022, our on-time performance was the highest it had been in five years. These results validate that our Delivering for America approach is working. Service misses are short in duration, with 98% of the nation's population receiving their market dominant mail in less than three days. In isolated areas, we're working hard to resolve our service challenges in local communities due to extreme weather or hiring challenges and we'll continue to respond urgently.

Take a look at some of our various Delivering for America accomplishments below:

FY2022 On-time Mail Performance

First-Class Mail:

91%

Delivered 91% of First-Class Mail on time against the USPS service standard

Improvement of:

↑**8.3%**

over the 82.7% on-time rate in FY2021.

Marketing Mail:

93.3%

Delivered 93.3% of Marketing Mail on time against the USPS service standard

Improvement of:

↑**5.7%**

over the 87.6% on-time rate in FY2021.

Periodicals:

83.7%

Delivered 83.7% of Periodicals on time against the USPS service standard

Improvement of:

↑**8.1%**

over the 75.6% on-time rate in FY2021.

Between April 2022 and March 2023, we made tremendous strides implementing our Delivering for America plan

Intiated development of a new network, plant operation and delivery unit strategy	Met yearly service targets for First-Class Mail and Marketing Mail	**165M** U.S. addresses served six and often seven days a week	**60M** updated daily package processing capacity	**$48B** cost reduction due to Postal Service Reform Act	**8.5M** more square feet of space across more than 50 locations utilized for additional storage, due to multiyear leases secured in 2021	**14K** electric vehicle charging stations ordered

125K pre-career workers converted to full-time career employees since October 2020 (50,000 conversions between April 2022 and March 2023)	**149** new package sorting machines (249 in the past two years)	Vehicle acquisition plan unveiled to acquire **106K** new vehicles through 2028. This plan conists of least 66,000 battery-electric delivery vehicles, including at 45,000 battery-electric-powered Next Generation vehicles.	**11** regional Processing and Distribution Centers in development	**6** Sorting and Delivery Center openings

Route Optimization

A new footprint of processing and delivery facilities will allow us to completely transform our ground transportation model. Before Delivering for America, we vastly underutilized our trucks. Many trucks left facilities half-full because

Moving the mail

mail and packages needed to be moved between too many locations. Also, mail and package processing schedules were not always aligned with transportation schedules. These issues were common across our entire network, from long-haul journeys across the country to trips between processing facilities and delivery units. This approach was unsustainable.

While a fully efficient transportation system will only be possible once our new network of facilities is fully operational, we've already addressed some key issues. Optimization of truck routes, combined with improved tracking of mail and packages as they travel through our network, is helping us eliminate superfluous trips and ensure our trucks leave facilities with fuller loads while meeting our service standards.

Delivering for America has also refocused our use of contracted air transportation since we do not own a private fleet of airplanes. Before our modernization plan began, we were beholden to the complexities and inefficiencies of the airline industry for transporting mail long distances to meet our service standards. This dependency was especially evident during our peak season when weather disruptions made the air transportation system very unreliable.

Two years into our new transformation plan, we aligned our service standards and shifted air volume to our reliable ground network. Two very successful holiday seasons have proven that our greater reliance on ground transportation is the right strategy.

ENCOURAGING MARKET RELEVANCE AND INNOVATION (CONTINUED)

Fleet Modernization

In February 2023, we took a big step forward with our electric vehicle implementation plan — awarding contracts for more than 14,000 charging stations and purchasing more than 9,000 commercial off-the-shelf battery EVs. Beyond vehicle mix changes, postal network modernization efforts will drive additional substantial carbon reductions through logistics improvements and reduced transportation.

- Total investment is expected to reach $9.6 billion including $3 billion from Inflation Reduction Act funds.

- We're committed to the fiscally responsible rollout of electric powered vehicles for America's largest and oldest federal fleet, which remains ambitious and on schedule.

USPS electric vehicles

Materiality Assessment

For the information in our sustainability report to be meaningful, it must reflect the most significant economic, environmental and social impacts for our stakeholders and our organization. In FY2020, we engaged stakeholders from across the Postal Service to conduct a materiality assessment to identify the economic, environmental and social topics most relevant to our employees and customers. We issued a survey to self-selected and targeted internal stakeholders, including representatives from the facilities, finance, government relations, information technologies, legal, marketing, safety, strategic planning, supply management, sustainability and vehicles teams. While the survey did not engage external stakeholders such as customers or the general public, we requested that respondents answer the survey questions from the perspective of both employees and customers. To ensure external stakeholder input was reflected in our materiality assessment, we integrated input from prior year surveys into our results. We intend to engage external stakeholders again in future years.

The survey requested that respondents assess the importance of various topics to our employees and customers, as well as the impact of USPS actions on the U.S. economy, environment and society. The survey assessed the 14 topics listed in the table. These topics were selected as a result of extensive research into existing guidelines, examples from other organizations, and learning from past USPS stakeholder engagement and materiality assessments. The survey also requested respondents to list any additional topics they consider important to customers and employees.

The results of the survey indicated that both the targeted and self-selected internal stakeholders viewed all topics with similar importance. In addition, all topics that respondents considered important aligned closely with the 14 topics already assessed. Therefore, for the purposes of this report, all 14 of the topics assessed are considered material topics. This report covers

each topic and includes, specific goals toward six of the topics. For additional information and resources related to each material topic, review the GRI Index at the end of this report.

Section	Material Topic	Sustainability Goals
Sustainability Management Approach	- Market relevance and innovation - Strategic business partnerships - Supply chain resilience	
Operations	- Worker and customer safety - Customer satisfaction	
Environmental Management	Environmental management	
Emissions	Responsive to climate risk	- Scope 1 and 2 emissions - Scope 3 emissions
Energy	- Renewable energy - Facility energy efficiency - Fleet efficiency - Contract transportation fleet efficiency	Energy intensity
Water	Water stewardship	Water intensity
Recycling and Minimizing Waste	- Waste reduction - Packaging footprint	- Waste diversion - Secure destruction - Green purchasing

Operations

For the Postal Service to successfully deliver prompt, reliable and efficient services to our customers in all areas and communities, it's important that our employees and customers are safe, our customers are satisfied with our services, our supply chain is resilient to any potential service disruptions, and we increase environmental sustainability across our operations.

Supply Chain Resilience

The Postal Service maintains supplier relationships accounting for more than $17 billion in expenditures and $6 billion of inventory each year. Our Supply Management organization implements best practices for supply chain oversight including strategic planning, policy modernization, process improvement, strategic sourcing, strengthening of supplier relationships and diversity, technology enhancements and inventory management. A focus is supply chain resiliency and risk mitigation, attributes that were tested during the coronavirus pandemic.

Responding to the crisis, the Postal Service established a COVID-19 Command Center to ensure that USPS facilities nationwide had an adequate stock of gloves, masks, hand sanitizers and cleaning and disinfecting products to keep employees safe and meet ongoing facility cleaning requirements. We now keep several months of key supplies in inventory to ensure our preparedness. To track supplies, the Supply Management group collaborated with our Enterprise Analytics organization to develop several supply visibility dashboards that measured and predicted the amount of COVID-19 supplies required at each facility based on its number of employees. Inventories were monitored daily to identify facilities that were low on supplies or where they could be redistributed to other locations where needed.

While the pandemic was unprecedented, the Supply Management team regularly plans for supply chain challenges by using analysis from supply chain availability and risk assessment tools. Given the Postal Service's national footprint, annual weather issues can require emergency and significant continuity of operations responses from our supply chain. Working with a geospatial supplier, we created an emergency notification system that

Facility worker sorting mail

uses data feeds about weather hazards, hurricanes and rainfall amounts, as well as public announcements from the National Oceanic and Atmospheric Administration, Federal Emergency Management Agency and National Weather Service. Customized warning messages can be issued to Supply Management and other USPS managers who can then take early action by contacting suppliers and devising a plan of action. The system also keeps track of actions taken so the Postal Service has a record of best practices to follow in the future.

Supply chain planning can make the difference in continuity of our operations — making sure Supply Management's internal business partners receive the supplies they need, when they need them, and that our customers receive the mail and packages they expect each delivery day.

Environmental Management

The Postal Service is committed to meeting or exceeding all applicable environmental laws and regulations. Environmental compliance is the foundation of the Postal Service's commitment to sustainability. We strive to be good stewards of the environment and minimize our impact by establishing programs and practices to comply with applicable federal, state and local environmental regulations.

Environmental Compliance Reviews

Environmental Compliance Review

The Postal Service conducts internal environmental compliance reviews of our facilities to evaluate site-level compliance and provide hands-on assistance to address findings. These evaluations follow a standardized protocol to assess site compliance and provide a platform to directly engage with our employees on important compliance resources.

When necessary, we mandate corrective actions and track them to completion. We use the information gathered from site reviews to enhance our compliance program and improve overall environmental performance. In 2024, we'll continue maintaining environmental compliance throughout all Postal Service operations. We plan to conduct site reviews at one-third of our highest-priority sites as part of our commitment to reviewing environmental compliance at all our priority sites every three years.

Clean Air Act

It's USPS policy to comply with federal, state and local air requirements, which include regulations from the Clean Air Act. As an example, the act regulates cooling systems containing both ozone depleting substances and other refrigerants.

By complying with Clean Air Act requirements and adopting other best practices, the Postal Service ensures that our systems are functioning efficiently to prevent unwanted air emissions that could be costly to both USPS and the environment. For example, our policy on refrigerant management aligns with EPA requirements on proper training for handling, inspecting and disposing of refrigeration units, as well as includes protocols on leak detection and correction for both regulated and unregulated refrigerants.

Employee Training and Communications

In addition to on-site compliance assistance, our priority strategies for achieving environmental compliance include employee training and communications, as well as innovation to improve site-level compliance.

The Postal Service provides training on applicable regulations and procedures for environmental management. In FY2022, we provided online compliance training for approximately 4,150 employees — a 26% increase from FY2021 — on topics including hazardous and universal waste management, stormwater permitting, spill management planning and underground storage tank operations.

The Postal Service maintains a comprehensive environmental information management system that houses site-specific data, action items and important environmental records. It's an important tool for approximately 7,200 users to monitor and manage environmental compliance requirements for regulated equipment and activities. In support of these efforts, our mobile application enables compliance review teams to record observations in real time while on-site, streamlining reporting and improving accuracy.

To ensure employees are informed, the Postal Service provides easy-to-access and readily available environmental compliance bulletins on a dedicated environmental management website. These bulletins serve as quick references for environmental compliance requirements and other best practices for environmental stewardship.

ENVIRONMENTAL MANAGEMENT (CONTINUED)

We'll continue to seek innovative ways to monitor our environmental impacts and improve site-level compliance with applicable federal, state and local environmental regulations. We'll build on established programs to manage both ongoing and emerging environmental issues to ultimately reduce our environmental footprint.

Solar panels in Los Angeles

Emissions

As a sustainability leader, USPS has a responsibility to address the risk of a changing climate by reducing our greenhouse gas emissions. We partner with internal and external stakeholders to identify and implement opportunities across the organization that reduce our Scope 1, Scope 2 and Scope 3 emissions and improve our efficiency, productivity and resource use. The Postal Service's GHG emissions goals and progress are:
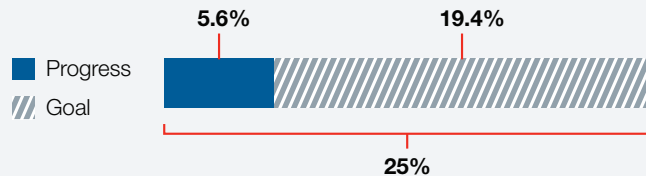
FY2023 Goal Progress
Scope 1 and Scope 2

FY2030 GOAL
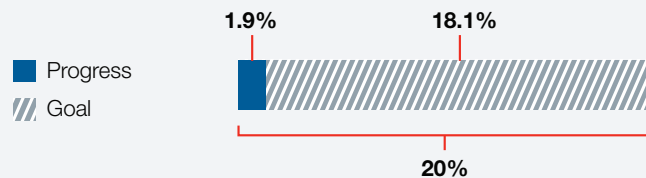Scope 1 and 2
25%
decreased by FY2030 compared to FY2019

5.6%   19.4%

■ Progress
/// Goal

25%

FY2023 Goal Progress
Scope 3

FY2030 GOAL
Scope 3
20%
decreased by FY2030 compared to FY2019

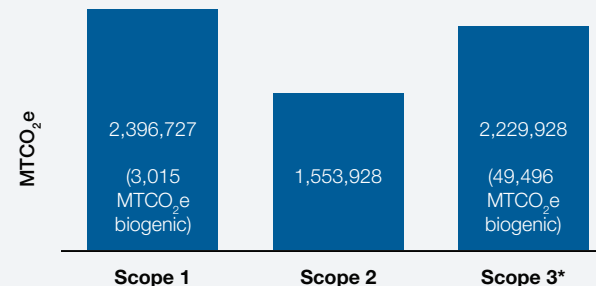1.9%   18.1%

■ Progress
/// Goal

20%

* Scope 3 emissions from contract transportation and buildings with fully serviced leases are not included in the Postal Service's Scope 3 goal or calculation but are determined separately and tracked.

USPS emission totals include carbon dioxide, methane, nitrous oxide and fugitive fluorinated gases expressed as metric tons of carbon dioxide equivalent ($MTCO_2e$) and use the operational control consolidation approach. Scope 1 and Scope 3 biogenic emissions — emissions from natural sources — are provided separately. Our emissions calculations are based on the Federal Greenhouse Gas Accounting and Reporting Guidance, Council on Environmental Quality (Jan 17, 2016) and use the Department of Energy. Federal Energy Management Program's Annual Energy Management Data Report workbook for comprehensive reporting of fiscal year energy, costs, square footage and associated operational data. Emission totals are calculated using this workbook with current EPA Center for Corporate Climate Leadership emission factors and Global Warming Potential values.

In 2022, we reduced our annual scope 1 and 2 emissions by over 1.4 million metric tons of carbon dioxide equivalent (MTCO2e) compared to our 2008 emissions. This is the equivalent of getting over 305,000 gasoline powered passenger vehicles off the road every year.

In FY2022, Postal Service GHG emissions included:

FY2022 Postal Service GHG Emissions

$MTCO_2e$

2,396,727 (3,015 $MTCO_2e$ biogenic)	1,553,928	2,229,928 (49,496 $MTCO_2e$ biogenic)
Scope 1	Scope 2	Scope 3*

Information on the sources of our Scope 1, Scope 2 and Scope 3 emissions, as well as the strategies and actions we're taking to achieve our goals, are detailed below.

Greenhouse Gas Reporting

In addition to submitting a federal GHG inventory, USPS submits annual GHG inventories to the International Post Corporation and The Climate Registry, of which USPS is a founding partner. These efforts enable transparency and comparability, with our performance benchmarked against data from posts and other organizations throughout the world.

Scope 1 Emissions

Our Scope 1 emission sources consist of: stationary combustion including building heating (natural gas, fuel oil and propane) and generators, mobile combustion including owned fleet vehicles and small equipment, and fugitive emissions such as refrigerants. To manage Scope 1 emissions, USPS is focused on improving building and vehicle fuel efficiency, as discussed further in the Energy section.

Scope 2 Emissions

Our Scope 2 emission sources include purchased electricity and purchased steam. To manage Scope 2 emissions, USPS is focused on installing and purchasing renewable energy, as discussed further in the Energy section.

Scope 3 Emissions

Scope 3 emissions from contract transportation and buildings with fully serviced leases are not included in the Postal Service's Scope 3 goal or calculation but are determined separately and tracked. Scope 3 emissions from contract transportation are 6,044,239 $MTCO_2e$ and Scope 3 emissions from buildings with fully serviced leases are 31,458 $MTCO_2e$.

Our Scope 3 emission sources include employee business travel, employee commuting, contract transportation, contracted solid waste disposal and wastewater treatment, buildings with fully serviced leases, and transmission and distribution losses from electricity purchases. USPS has various initiatives and programs to manage Scope 3 emissions.

Employee Business Travel

The Postal Service manages emissions from business travel by strengthening our information technology platform to allow for remote working, web meetings and virtual conferences. The Postal Service has more than 19,000 active remote users. Many were added to accommodate teleworking due to the COVID-19 pandemic.

Employee Commuting

We offer a commuter benefits program to employees that incentivizes public transportation to reduce single employee vehicle commute trips.

Contracted Solid Waste Disposal and Wastewater Treatment

Recycling initiatives and goals across the organization aim to increase recycling performance and reduce the waste volume sent to landfills, in turn reducing the volume of GHG emissions associated with waste. See the Recycling section to learn more about our recycling initiatives. Wastewater treatment emissions are managed through our water consumption and water quality efforts. See the Water section to learn more about these efforts.

Contract Transportation

The Postal Service uses contract routes to transport mail between processing facilities and delivery locations. We right-size transportation equipment, reducing the number of empty USPS vehicles on the road. This reduces the number of miles driven and the amount of fuel used for transportation.

USPS also plans to continue to shift away from contract air transportation in favor of ground transportation to save costs as part of our Delivering for America strategy. This transition will continue

EMISSIONS (CONTINUED)

to reduce emissions as ground transportation is more energy efficient than contract air transportation. In FY2022, due to highway contract routes optimization projects, USPS reduced redundant routes mileage by 20.9 million miles, eliminating 2.6 million gallons of diesel fuel use and saving approximately $57.6 million in contracted transportation costs, while maintaining service targets.

USPS BlueEarth Services

We know that protecting the environment is a commitment shared by many businesses and consumers. We help our customers reduce waste, increase recycling and improve their carbon footprint through our BlueEarth programs.

BlueEarth Carbon Accounting

This service enables large business customers to measure and manage carbon impacts across their supply chains. It follows the most widely accepted accounting methods to calculate the GHG emissions of shipping or mailing items based on their characteristics, such as product type, size, weight, processing, distribution and transportation. This no-fee service provides

reports that detail GHG emissions associated with the Postal Service's entire delivery process.

Carbonfund.org Foundation has determined the USPS BlueEarth Carbon Accounting Statement is consistent with carbon neutrality criteria for eligibility in the Carbonfund.org Carbonfree Shipping program. USPS business customers interested in offsetting emissions can purchase carbon credits using official calculation results from the USPS BlueEarth Carbon Accounting Statement. Learn more about the BlueEarth program here.

BlueEarth Federal Recycling Program

We help make it easy for federal agencies and their employees to properly dispose of items like unwanted small electronics and phones. This program is easy to manage, free to federal agencies and supplements existing sustainability programs. Measurable results are available through online reports. Find more details in the Recycling and Minimizing Waste section.

BlueEarth® Secure Destruction is a free document-shredding service for undeliverable First-Class Mail®

Using this service can benefit your business to:

Save Money
USPS takes care of collecting, shredding and disposing of RTS mail at no extra cost.

Avoid Legal Risk
USPS shredding exceeds regulatory standards and receives the legal protections afforded to US Mail.

Reduce Carbon Footprint
Secure Destruction has lower carbon emissions than if mailpieces are returned to sender. All shredded mail is recycled.

Update Customer Data
USPS sends daily updates about every mailpiece securely destroyed so you can identify undeliverable addresses and reduce future waste.

Scan the code to learn more about Secure Destruction or sign up to register now at usps.com/securedestruction

UNITED STATES POSTAL SERVICE®

Secure Mail Destruction Is a Shred Away

USPS BlueEarth® Secure Destruction helps dispose of undeliverable First-Class Mail® to protect customers, update a business' database, and reduce their carbon footprint at **no extra cost.**

UNITED STATES POSTAL SERVICE ®

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Learn more and get started at
usps.com/securedestruction

BlueEarth Secure Destruction

This service is a cost-effective, secure and convenient way to manage mail containing personally identifiable information. It's designed specifically for business mailers who use the Intelligent Mail barcode. This technology enables the Postal Service to identify, intercept and securely shred undeliverable-as-addressed First-Class Mail letters and flats with personal protected information that would otherwise be returned to the sender. More details are in the Recycling and Minimizing Waste section.

Energy

The Postal Service operates an extensive network of nearly 34,000 retail facilities and 236,000 vehicles throughout all 50 states and U.S territories. We manage facility energy use, facility energy intensity and vehicle fuel usage to reduce the Postal Service's GHG emissions and conserve resources.

Facility Energy

The Postal Service's facility energy intensity goals are:

FY2023 Goal Progress

Energy Intensity

FY2030 GOAL
Facility energy intensity

25%

decreased by FY2030 compared to FY2019

7.0%   18.0%

■ Progress
▨ Goal

25%
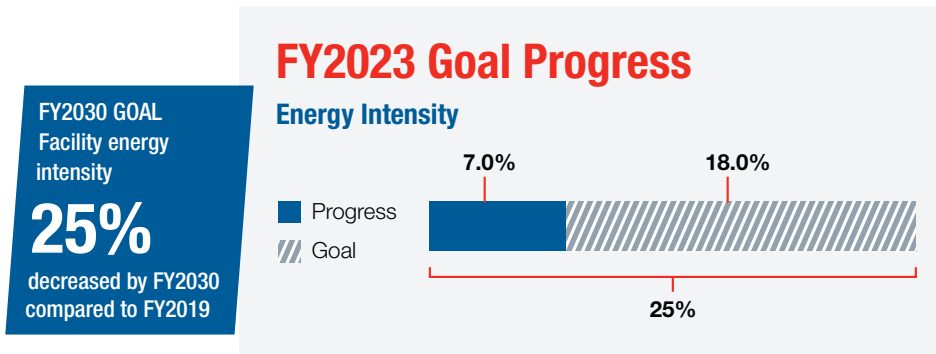
All consumption is converted to British thermal units (Btu) and divided by the associated facility gross square foot (GSF) to result in Btu/GSF.

Energy consumption is calculated using the DOE Federal Energy Management Program's Annual Energy Management Data Report workbook and the U.S. Energy Information Administration's Monthly Energy Review for conversion factors. The energy intensity calculation includes energy consumption at USPS buildings subject to the Energy Policy Act of 2005, including electricity, fuel oil, natural gas, steam, on-site renewable electricity and off-site green energy purchases.

The Postal Service's approach to reducing energy consumption and intensity focuses on monitoring energy consumption and increasing facility renewable energy and energy efficiency.

Monitoring Energy Consumption

We offset our utility accounts in FY2022 by over $1.7 million through refunded utility overages identified by the Utility Management System (UMS), Enterprise Energy Management System (EEMS) and clean energy credits. The Postal Service relies on our UMS and EEMS to closely monitor our facility energy consumption. UMS identifies variances in utility use based on prior month and prior year data, allowing us to act when overages are identified. For FY2022, a total of $359,689 was recouped through the UMS program from utility service providers.

> Through improved energy efficiencies, we've decreased our total energy use by 5.1% since FY2003, saving nearly 100 trillion Btu in the last 20 years.

Management Software

UMS is used to view cost and consumption data for electricity, natural gas, water, sewer, propane, steam and heating oil utilities. Utility invoices for the largest USPS facilities are sent to our third-party partner. It processes and pays the utility invoices and then enters the data into UMS for tracking and reporting. Local personnel can review their facility's billing history, check to see if a payment has cleared, and review exceptions. The data can be used to establish baselines before and after implementing cost savings projects.

We're currently promoting UMS training to raise awareness of enhancements made to the software. Our goals are:

Train area and district coordinators, local site contacts and maintenance managers on how to meet their roles and responsibilities using the enhanced software.

- Add 3,000 facilities to UMS and offer four area training sessions to employees at those facilities.

- Empower users to find new ways of reducing consumption and improving efficiency by analyzing reports and using advanced tools available in UMS.

In FY2023, we're including 3,000 additional facilities in UMS. This will promote:

ENERGY (CONTINUED)

- Increased accuracy in complying with Section 432 of the Energy Independence and Security Act of 2007 (EISA 432).

- Increased accuracy in calculating GHG emissions that are reported to the federal government, The Climate Registry and International Post Corporation.

- Improved visibility, tracking and trend reporting for analysis and troubleshooting at the local level.

This water benchmarking graph generated in UMS allows regional facility managers to identify opportunities for improved sustainability and implementation of water use efficiency measures.

USPS Water Benchmarking
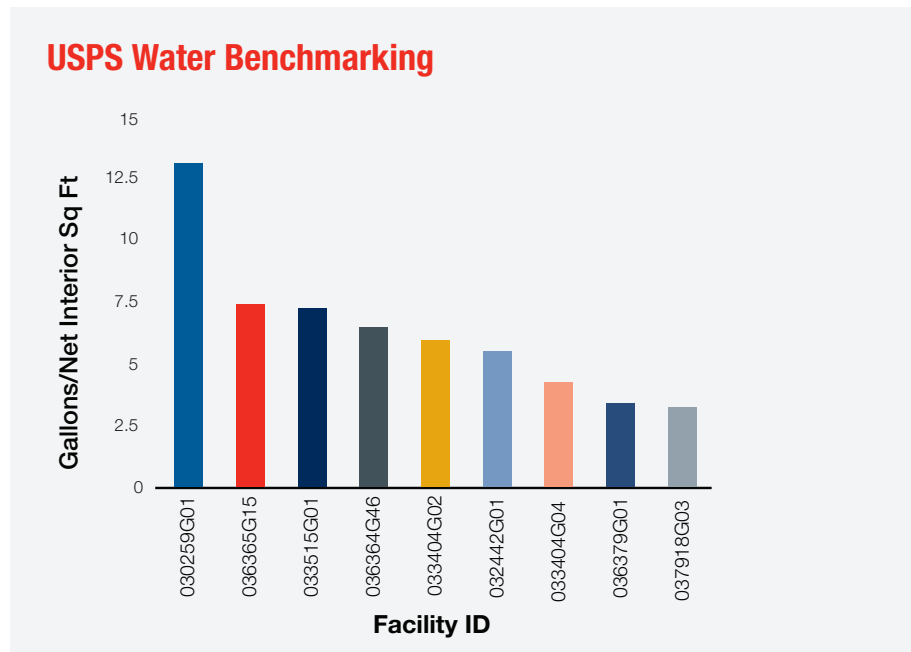
Example of USPS water benchmarking in UMS (gallons of water used per square foot by facility)

EEMS collects data daily from UMS and combines it with other internal data to enable skilled technicians to remotely monitor and control certain HVAC units, ensuring they're operating efficiently and reducing maintenance costs. From FY2015 to FY2022, 390 of 1,158 maintenance requests, or more than 30%, were evaluated by remote technicians and determined to be within standards,

eliminating the need for a technician to visit the site. The system also was used to identify 1,663 specific rooftop units that required repair by an on-site technician. This ensures we send technicians to sites only when needed. EEMS also evaluates data for normalizing usage based on weather conditions. This allows us to compare our non-weather impacted energy use from year to year and accurately determine the success of our energy-saving efforts.

Renewable Energy

In FY2021, USPS began a solar installation at the Curseen Morris Processing and Distribution Center in Washington, DC. This project includes installation of over 14,305 solar panels with a capacity of 5.8 megawatts. It's expected to generate 7,356,000 kilowatt hours annually, which is enough electricity to power 1,014 homes each year. Phase 2 of construction began in FY2022. We anticipate starting phase 3 of construction in FY2023.

In FY2022, USPS continued to focus on the implementation of on-site solar photovoltaic systems at the Springfield, MA, Network Distribution Center.

> **Our renewable energy usage has increased by over 5,500% in the last four years. In FY2022 we used over 248,000 MWHs of renewable energy — enough to power over 23,000 homes for a year!**

This system has 6,277 solar panels and will have a capacity of 2.5 megawatts. It's expected to generate 2.9 million kilowatt hours annually, which is enough electricity to power 400 homes each year. USPS is working with the local utility department to energize this system.

In addition to on-site renewable energy production, the Postal Service has begun purchasing renewable energy in the form of renewable energy certificates. RECs are a market-based instrument that represents the property rights to the environmental, social and other non-power attributes of renewable electricity generation. RECs are issued when one megawatt hour of

Solar panels on USPS facility

electricity is generated and delivered to the electricity grid from a renewable energy resource. (Definition from EPA.gov.) For example, if a solar power facility produces 1,000 MWh of electricity, it generates 1,000 RECs. A company can buy those 1,000 RECs, meaning 1,000 MWh of electricity used by the company came from a renewable source.

In 2019, we entered negotiations with energy suppliers in 13 states and the District of Columbia to request that suppliers provide 25% of our power from renewable energy sources including wind, hydro and solar installations. This resulted in an estimated purchase of over 855,000 MWh of green power over a four-year period — enough to power nearly 80,000 homes for a year. In FY2022, we purchased over 222,000 MWh of green power as a result. We'll continue to evaluate opportunities to include green power in new third-party utility supply contracts.

Energy Efficiency

USPS conducts regular preventive maintenance to ensure the continual operations of all facilities. As part of this program, many items are regularly checked, replaced and/or repaired, which increases the overall efficiency of facility operations. This includes replacing belts and filters, checking refrigerant levels, cleaning indoor and outdoor coils, lubricating motors and bearings, testing control functions and calibration, cleaning and maintaining cooling towers, and more.

Vehicle Energy

Vehicles play an important role in Postal Service operations. We seek to improve fuel efficiency in our vehicles while upholding our universal service obligation to deliver mail and packages to more than 165 million address points in the United States, six — and often seven — days a week. Our goal is to obtain and operate vehicles that will incorporate new technology, accommodate a diverse mail mix, enhance safety, improve service, reduce emissions and produce operational savings, while enabling employees to perform their jobs safely.

USPS Next Generation Delivery Vehicle

In February 2021, the Postal Service announced the award of a multi-billion dollar, 10-year contract for our Next Generation Delivery Vehicle. The contract includes U.S. produced, purpose-built vehicles that will drive the most dramatic modernization of the Postal Service's fleet in three decades. The NGDV, along with other commercial off-the-shelf vehicles, will replace and expand the current delivery fleet, which includes many vehicles that have been in service for 30 years. As of December 2022, USPS anticipates increasing the quantity of purpose-built NGDVs to a minimum of 66,000 vehicles, of which at least 45,000 will be battery electric by 2028. NGDV acquisitions delivered in 2026 and thereafter are expected to be 100% electric. USPS expects to purchase an additional 21,000 battery electric delivery vehicles through 2028, representing a mix of commercial off-the-shelf vehicles.

As a generally self-funded entity, the Postal Service is strongly incentivized to track vehicles to reduce fuel consumption, accidents and fraud. As an example, USPS is currently operating a telematics system on our semitrailer fleet which will validate opportunities to improve safety, reduce fuel consumption and lower our maintenance costs.

In FY2022 the Postal Service began the planned installation of telematics devices on all postal-owned vehicles. The telematics

ENERGY (CONTINUED)

program will enable fuel and maintenance savings while also providing vastly improved visibility into vehicle utilization. All postal-owned vehicles, except for our Long Life Vehicles, are expected to have telematics installed by the beginning of FY2024. Long Life Vehicle installations will take place in FY2024.

An additional opportunity to reduce our fuel emissions is the use of alternative fuel vehicles. Of the over 236,000 vehicles in the Postal Service's fleet, more than 32,000 can be powered with alternative fuel, including ethanol, electric, compressed natural gas, liquid propane, biodiesel and hybrid.
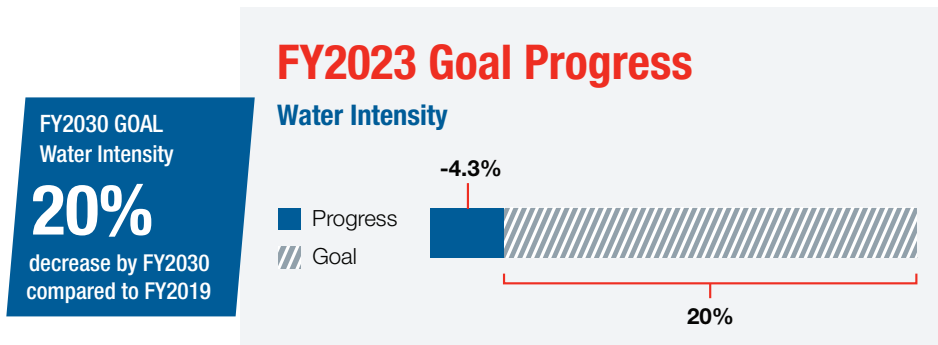
We've issued guidance for drivers of postal vehicles that are alternative fuel capable to use alternative fuels when available. In 2022, we purchased 389,712 gallons of alternative gasoline equivalent fuels. We provide fueling reports to our facilities, which highlight instances of drivers using an alternative fuel vehicle who are purchasing conventional fuel at a location where alternative fuel is available. These reports help emphasize the availability and importance of using alternative fuels when available. We expect to continue our work to incorporate alternative fuel requirements into our contracts to reduce our Scope 3 emissions.

Water

The Postal Service manages water consumption and water quality to forecast usage and costs, identify emerging and existing issues with high-use facilities, and tackle future challenges. Water is not a primary input for our operations. However, USPS operations have the potential to impact water quality and as environmental stewards we find it important to conserve water.

Water Consumption

The Postal Service's water consumption goals are:

FY2030 GOAL
Water Intensity

20%

decrease by FY2030 compared to FY2019

FY2023 Goal Progress

Water Intensity

-4.3%

■ Progress
▨ Goal

20%

The Postal Service consumed 8.7 gallons of water per gross square foot of USPS facilities in FY2022.

In FY2022, the Postal Service consumed 2.45 billion gallons (9,284 megaliters) of water across all operations. This is over 3 billion gallons less than we used in FY2007 — enough to fill over 4,500 Olympic-size swimming pools.

As we've achieved our existing goal of decreasing water intensity 36% from 2007 by FY2025 several years early, we set a new goal with a FY2019 baseline. The new goal is to reduce potable water intensity 20% from FY2019 levels by FY2030.

This data is compiled using and in accordance with the Federal Energy Management Program reporting requirements. The Postal Service manages water consumption by actively identifying opportunities to conserve water in our facilities and by tracking consumption through our Utility Management System to identify any significant variances (greater than 25%) in water usage. We compare the current period's water usage and costs with the prior period and same period last year to identify significant variances. Our UMS has identified over 2,000 variances in water usage, allowing affected facilities to investigate and remediate the cause.

In addition to monitoring water consumption, the Postal Service conducts audits at our facilities and implements water-saving measures, such as installing low-flow aerators, where the return on investment is at least 30%.

USPS conducted approximately 50 audits in FY2020 as part of utility-supported programs. However, following these initial audits, USPS paused new audits in order to reevaluate the process while continuing to install low-flow aerators at processing facilities based on previously completed audits.

Water Quality

Some Postal Service locations have on-site fueling operations, storage tanks, emergency generators, wastewater pretreatment systems, septic systems or vehicle maintenance and washing, all of which can contaminate water if proper procedures are not followed.

The Postal Service monitors and assists these sites to ensure compliance with spill prevention requirements, release reporting and stormwater permitting regulations. We typically conduct on-site water quality reviews to evaluate compliance with permit conditions, regulatorily required plans and USPS zero discharge policies. These reviews mitigate the potential for spills and prevent contamination of stormwater and groundwater.

Storage Tank Management

The Postal Service has a comprehensive program focused on improving and maintaining tank systems to avoid contaminating the environment. We remove and replace tanks that pose a liability for USPS because they're approaching industry acceptable lifespans or warranty limits. Since the inception of the program, the Postal Service has removed 194 aging underground storage tank systems, reducing the number of federally regulated underground storage tanks by just over 60% and the associated risks of releases. Replacement tanks are installed only where necessary. These new tank systems are centrally monitored and designed to prevent and quickly detect leaks to avoid soil and groundwater contamination.

USPS storage tank

Recycling and Minimizing Waste

The Postal Service set a goal of diverting 75% of our waste from landfills by FY2030. The information below provides progress toward our goal.

During FY2022, more than 18,000 Post Offices, stations and branches recycled more than 176,000 tons of undeliverable USPS Marketing Mail through their service hubs.

Cardboard recycling has surged as a result of the increase in package deliveries. USPS recycled more than 85,000 tons of cardboard, up from 39,000 tons five years ago.

Boxing Days

Recycling and reducing waste to landfill promote conservation, material reuse and natural resources stewardship. Increasing recycling and eliminating waste are recognized business opportunities. Reducing trash volume not only reduces disposal costs but also provides opportunities to generate recycling revenue from materials previously incurring disposal costs.

The Postal Service has a unique mail class known as USPS Marketing Mail that is not returned to the sender if addressed improperly. This undeliverable mail generates paper waste in Post Offices. Our goal is to manage this in a sustainable way. By using our reverse transportation logistics capabilities between our Post Offices and processing facilities, we're currently recovering over 179,000 tons of undeliverable USPS Marketing Mail every year for recycling.

USPS has engaged independent third parties in performing studies to help identify new business opportunities for this recyclable material. This data is important to the fiber recovery industry which could find use for the material in manufacturing new products made from recyclable content.

In FY2022, we diverted 65.5% of our estimated generated waste. We recycled over 289,000 tons of waste and 22,000 tons of our waste was converted to energy by our waste handling partners.

USPS BlueEarth Mail Services

The Postal Service offers a suite of services, under the USPS BlueEarth umbrella, designed to promote sustainability with customers and employees.

USPS BlueEarth Secure Destruction

BlueEarth Secure Destruction is an innovative, free, secure and convenient mail service available to First-Class mailers. It securely identifies, sorts, shreds and recycles letter and flat-sized undeliverable-as-addressed First-Class Mail containing personally identifiable information that would otherwise be returned to the sender. This is an opt-in mail service that operates under the protection and supervision of the Postal Service.

FY2030 Goal Waste diversion rate of

75%

by FY2030

FY2023 Goal

Waste Diversion

■ Progress
▨ Goal

65.5%   9.5%

75%

In FY2022, the Secure Destruction mail service intercepted, destroyed and recycled over 123.8 million pieces of First-Class Mail that would have otherwise been returned to sender. This equates to more than 3,100 metric tons of paper. This recycling effort saved the equivalent of more than 54,000 trees.
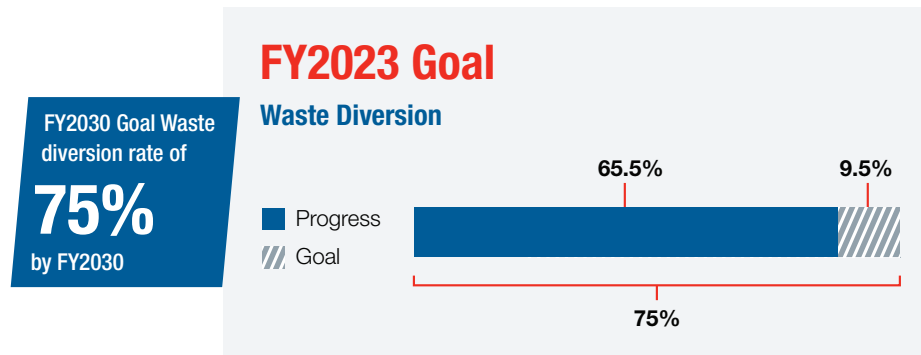
USPS BlueEarth Federal Recycling Program

We help make it easy for federal agencies and their employees to properly dispose of items like unwanted small electronics and phones as well as empty ink and toner cartridges. It's free and easy to manage, and supplements existing sustainability programs. Agencies can access reports with measurable results online at FedRecycling.com. Items sent to the Federal Recycling Program are remanufactured, remarketed or recycled.

Thirty-seven agencies, including USPS, take part in this program. Our goal is to increase this number and encourage greater participating among agencies that are already signed up by spreading awareness of the program and its benefits.

FY2022, more than 101,000 pounds of unwanted small electronics, ink and toner cartridges and other office equipment were reused and more than 467,000 pounds were recycled.

Online Postal Store sustainable supplies filter feature

USPS Sustainable Packaging

USPS has made great strides in improving the sustainability of our shipping supplies. Our Priority Mail and Priority Mail Express packaging contains an average of 84% recycled content and paper and cardboard packaging contains an average of 98% recycled content. All paper packaging meets either Sustainable Forestry Initiative or Forest Stewardship Council Certification standards. At our online The Postal Store, customers can filter shipping supply options to purchase these sustainable packaging supplies.

How2Recycle

The Postal Service is in our third year of partnership with How2Recycle. This is a consumer-oriented package labeling system that uses Federal Trade Commission guidance to help customers properly recycle.

We've made great strides in identifying our products that can include a How2Recycle label. As we deplete existing inventory and produce new stock, we're now seeing a How2Recycle label attached to these items.

How2Recycle labels communicate to customers precise instructions to make recycling easier, including how to prepare for recycling, type of recyclable material such as plastic or paper, and packaging format such as bottles and boxes. Cereal boxes, soup cans and other pantry items often carry How2Recycle guidance.

In addition to Priority Mail, Priority Mail Express and ReadyPost packaging, we've expanded How2Recycle guidance to postcards, posters and certain printed paper products.

Pollution Prevention

As part of our effort to manage waste, the Postal Service is focused on pollution prevention — eliminating waste at the source before it's generated. Our pollution prevention policy focuses on integrating sustainability into our supply chain through the identification and availability of environmentally preferable products. These types of products have

Flat Rate Mail

a reduced negative effect on human health and the environment when compared with competing products that serve the same purpose.

USPS defines EPP as products that contain high levels of post-consumer content recycled materials, are made of bio-based materials, are energy efficient, are water efficient and have ecolabel certifications from reputable organizations. The Postal Service includes clauses in our contracts with suppliers that encourage them to provide products that meet our EPP criteria. In FY2022, the Postal Service purchased more than $460 million in EPPs, or 54.8% of applicable contract spending.

The EPA defines "green purchasing" as the purchase of products or services that have a reduced effect on the environment and human health when compared with competing products or services. However, EPP is not always easy. That's why we've developed specific guidance on which products are considered environmentally preferable:

- Products that do not contain any of 13 targeted chemicals, EPA priority chemicals or ozone-depleting substances.
- Products that contain recycled materials from post-consumer sources.
- Products made of renewable bio-based materials.
- Energy-efficient or water-efficient products.
- Products that are ecolabel certified by a reputable third-party organization.

Examples include retread tires, recycled antifreeze, re-refined oil, recycled content paper, non-hazardous aqueous parts cleaning solutions and bio-based adhesives. When buying a product or service, simply remember that "less is more." Less product, less waste, less toxic, less raw materials, less energy and less water are almost always preferable.

The offices of Environmental Affairs and Corporate Sustainability and Supply Management work together to improve our ability to display and profile products available through our internal procurement website that have environmentally preferable attributes and increase the number of EPPs available to our employees. We also work in partnership with suppliers to integrate sustainability into the supply chain through contract clauses, evaluation factors and specifications.

Hazardous and Regulated Waste Recycling

Postal Service operations sometimes result in the generation of hazardous and regulated waste, including, used oil, batteries, mercury-containing lamps and ink. We have programs and national contracts in place to ensure these wastes are properly recycled, or, if necessary, disposed of in accordance with regulatory requirements. Additionally, employees with hazardous waste management responsibilities are required to take waste management training annually in order to ensure proper procedures are followed.

Used Oil Recycling

The Postal Service vehicle fleet includes over 236,000 vehicles. Each vehicle requires regular maintenance, including oil changes. The Postal Service collects, stores and recycles this used oil to ensure it does not pollute soil and water. In FY2022, the Postal Service recycled nearly 490,000 gallons of used oil — equivalent to saving over 19 million gallons of crude oil.

Battery Recycling

The Postal Service network has hundreds of thousands of wireless scanners powered by lithium-ion batteries along with numerous other batteries in our facilities and fleet. These batteries require special management at end-of-life to reclaim renewable materials and keep them out of landfills. We've established procedures for recycling all types of batteries. This includes national contracts for on-site pickup and mail-back recycling available to all sites, so even the most remote locations can recycle batteries. In FY2022, the Postal Service recycled approximately 58,000 pounds of small lead-acid and dry cell batteries, including lithium-ion batteries. Looking ahead, we continue to explore options to make the battery recycling process more cost-effective for our smaller Post Office locations that recycle fewer batteries than our larger facilities.

Poshmark: The Circular Economy

Have you heard of the circular economy? An organization is a member of the circular economy when it helps ensure products can be reused, repaired, refurbished, renewed or recycled, thereby extending the useful lifespan of items. Goods are kept in circulation longer and resources that would otherwise be used to make a new product are conserved. The Postal Service is a member of this economy. We transport parts that are used to repair items, materials to be recycled into new things, and items that can be reused by consumers.

One of our partner companies, Poshmark, a social marketplace for new and secondhand style, is also playing a pivotal role in the circular economy. A leader in the growing resale market, Poshmark facilitates peer-to-peer resale for millions of consumers across the country. It enables its community to buy and sell by simplifying payments, shipping and more for its more than 80 million registered users. PoshPost — Poshmark's shipping system created in partnership with USPS — provides sellers with a prepaid, preaddressed mailing label. The service has garnered positive feedback from both buyers and sellers on the platform. Customers can extend the life cycle of items, keep them from being send to a landfill or burned, and, ultimately, contribute to a more sustainable future.

In May 2022, USPS recognized Poshmark for mailing industry innovation and industry best practices at the National Postal Forum, the largest annual trade show in the country for the mailing industry. It received the WestPac Innovation and Growth Award, which recognizes companies that have taken steps to position themselves for significant growth with the Postal Service as their partner, employing innovative strategies or operational improvements to rapidly deliver increased value and business results.

Together with Poshmark's community of users, we're helping people actively participate in the circular economy and we look forward to continuing our work together to offer consumers more sustainable choices.
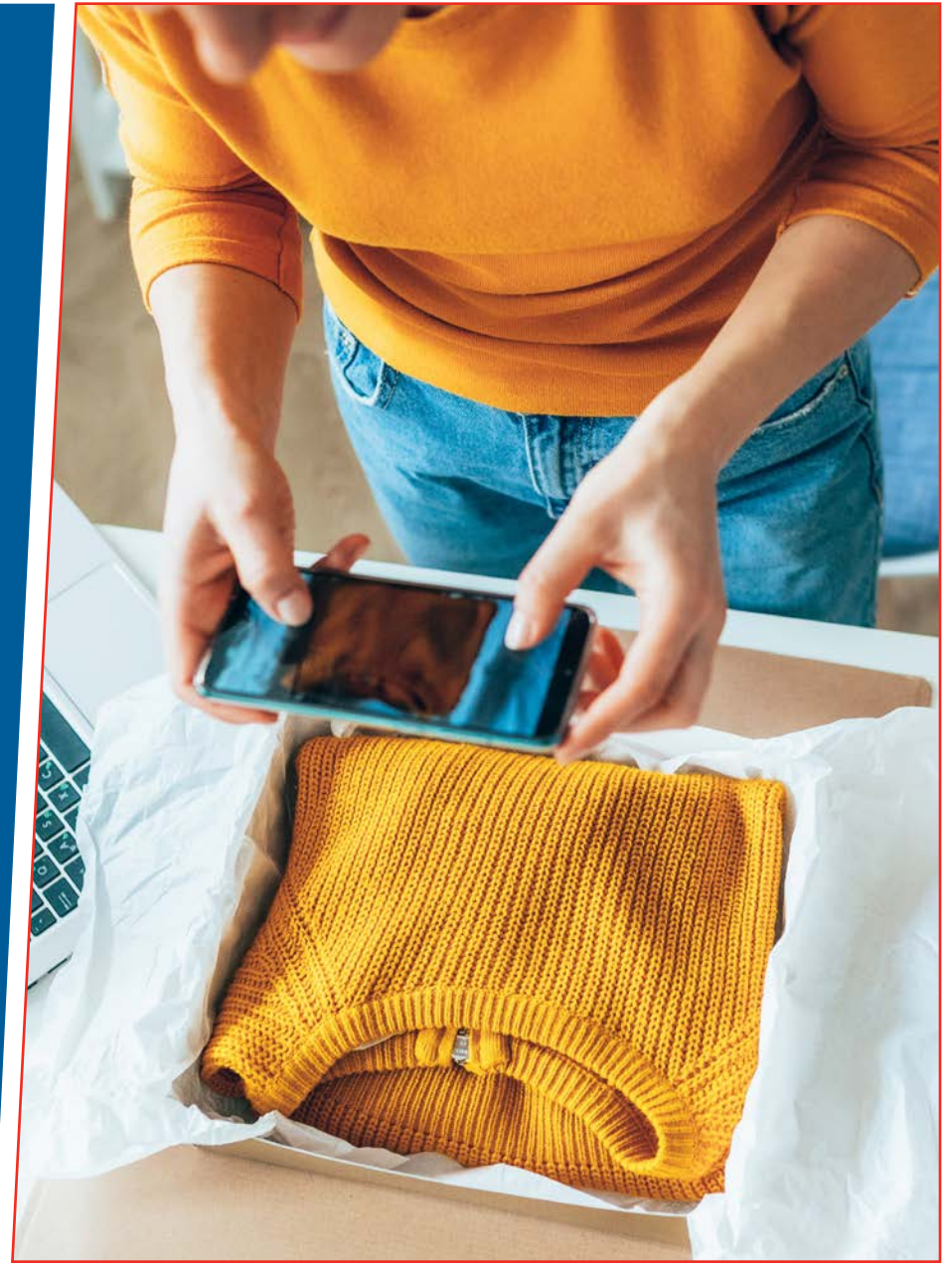
Mailboxes

Many are aware of the three R's of sustainability — reduce, reuse and recycle. The Postal Service focuses on the principle of reuse with its iconic blue collection boxes. Our boxes have been around for more than 50 years, dating back to a time when USPS was known as the Post Office Department. The deep blue color included special reflective red and white decals featuring the words "U.S. Mail." Today these iconic blue collection boxes are also "green." The Postal Service has a national program in place to refurbish boxes that are damaged or worn. Refurbishing collection boxes is a sustainable choice in lieu of purchasing new materials to make new boxes.

This program not only saves money — it ensures the boxes are carefully maintained according to environmental principles. The boxes are stripped of old paint through a special process that doesn't use chemicals, making it better for the environment. Since the Postal Service has nearly 140,000 collection boxes nationwide, this program has a big impact on the environment. Boxes that are too worn to be repaired are destroyed and then the steel is recycled according to protocols that ensure the security of the boxes is upheld throughout. How can you tell if your mailbox has been refurbished? Look for a green leaf logo on it.

Stamps

The Postal Service is best known for tiny little pieces of art known as postage stamps. But did you know these little beauties have a big sustainability story? The facestock — the part of the stamp that customers see — is printed on paper that is Forest Stewardship Council certified. This means the paper is sourced through a careful chain of custody that ensures the pulp comes from sustainably managed forests. Additionally, the adhesive on Postal Service stamps is a special recycling compatible adhesive that allows stamps affixed to letters to be recycled with other paper products. For most customers in the United States, this means stamped envelopes can be placed directly in their blue recycling bin along with other paper products.

RECYCLING AND MINIMIZING WASTE

National Postal Forum

The Postal Service has an educational partnership with the National Postal Forum, whose goal is to educate business mailers and improve the mail system. Each year NPF hosts a gathering of mail professionals for educational sessions, peer-to-peer roundtables and networking. Sustainability practices of NPF locations are carefully evaluated and considered as part of the site selection process.

For more information on the 2024 National Postal Forum in Indianapolis, Indiana, please visit the National Postal Forum website.
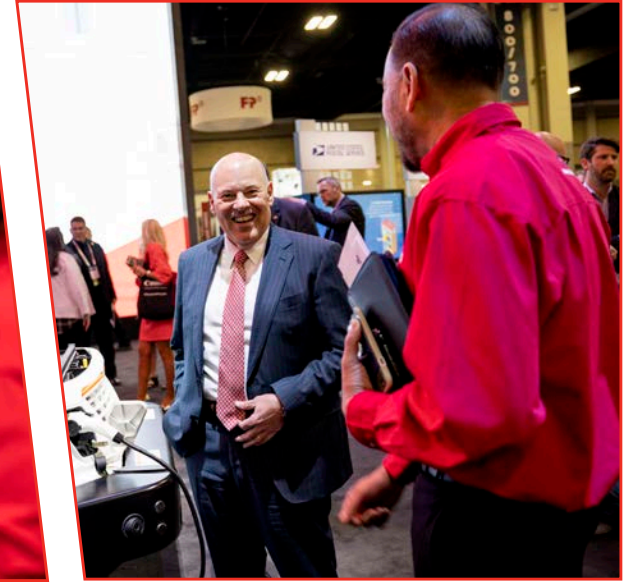
National Postal Forum exhibit hall

Sustainability Communications and Employee Engagement

Postal Service Podcast

Throughout 2022, the Postal Service continued our official podcast, Mailin' It! The podcast explores the rich history of the Postal Service, goes behind the scenes of our innovations, and discusses our dynamic future with organization and industry leaders. It also highlights the role of the Postal Service in the American experience and shares historical facts and unique facets about our organization, like our underground stamp cave. Mailin' It! podcasts were downloaded nearly 200,000 times in FY2022 and are available at the Postal Service newsroom website or any podcast streaming platform.

In a sustainability related episode, our hosts were joined by the Postal Service's Chief Sustainability Officer Jennifer Beiro-Réveillé to talk about what it means to take care of business while also taking care of the environment. The episode focused on the Postal Service's top priorities for sustainability and the important role it plays in the 10-year Delivering for America plan. The episode launched on Aug. 30, 2022, and saw nearly 7,000 downloads since it was published.

Postmaster General Sustainability Excellence Awards

Our organization recognizes local efforts that create a more sustainable workplace and protect the environment. Being leaner, greener and faster as we push for innovation continues to be an important business driver for the Postal Service.

This year we recognized the importance of engaging the Executive Leadership Team in a collaborative opportunity to highlight our corporate-wide focus on environmental and sustainability stewardship. Each executive nominated a project to be considered for the highest accolade — the Postmaster General Sustainability Excellence Award.

Five projects were honored for exemplary efforts to reduce the Postal Service's environmental footprint. One of the five — an initiative to incorporate How2Recycle labeling on Priority Mail boxes and other USPS items — received the top honor. "The How2Recycle labeling project was another example of our enterprise-wide sustainability efforts," said Postmaster General Louis DeJoy in announcing the award. "Ensuring we provide our customers with the information necessary to properly recycle products at end of life decreases waste to landfills and reduces our impact on the earth."

Here are the five winning projects, noting the USPS executive team member who chose it:

- **The Postmaster General and chief financial officer awards** went to the Recycling Education Delivered team. The team partnered with Environmental Affairs and Corporate Sustainability to ensure How2Recycle labels are included on USPS packaging.

- The **general counsel award** went to the Law Department team that provided legal support and guidance to stakeholders involved in the procurement of Next Generation Delivery Vehicles. The team also helped ensure that USPS complied with the National Environmental Policy Act.

- The **chief processing and distribution officer award** went to a Lean Mail Processing Auditing project in Southwest Division. The audits pinpointed issues that were addressed by teams at the division's 23 sites. The result was reduced waste in various forms — from time lost looking for misplaced items to physical waste from recycling errors — and increased employee engagement.

- The **chief logistics officer award** went to the Route Optimization team for its continued success at route consolidation. Using

enterprise analytics and a special tool developed for the team, they identified "opportunity lanes" underused by up to 35% and where consolidation would not compromise service. A total of 7,556 First-Class Mail and First-Class Package Service routes were switched from air to surface transportation, resulting in a financial savings of more than $104 million and a reduction in greenhouse gas emissions.

- The **chief retail and delivery officer award** honored a mobile app project that uses smartphone technology to reduce the use of paper and increase efficiency. The app, introduced in FY2022, had 84,940 entries, saving consumable resources.

Strategic Business Partnerships and Initiatives

The Postal Service maintains partnerships with international, federal and private organizations to further our sustainability efforts. These include:

- International Post Corporation
- The Climate Registry (All Star status)
- How2Recycle®
- Association of National Advertisers
- National Postal Forum
- The Postmaster General's Mailers' Technical Advisory Committee
- Postal Customer Councils
- U.S. Environmental Protection Agency WasteWise
- U.S. EPA Federal Green Challenge
- U.S. EPA SmartWay
- U.S. Department of Energy
- Council on Environmental Quality | The White House

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Climate Risk Adaptation

Resiliency Tool

The Postal Service uses the Corporate Energy Interface Resiliency Tool to plan for disruptions caused by natural disasters and other risks. The tool enables users to:

- Identify facility leases that are about to expire.

- Map facilities and analyze for climate change risk including:

  - Sea level rise.

  - Natural disasters such as wildfires, hurricanes and earthquakes.

- Ask the appropriate questions about building construction, safety features and backup systems.

- Develop an emergency plan to:

  - Keep employees safe.

  - Determine when and where to move vehicles and equipment.

  - Create a cleanup plan to resume operations as quickly and safely as possible.

Our goals for this tool are to provide a user guide and offer training to promote it and demonstrate its practical applications.
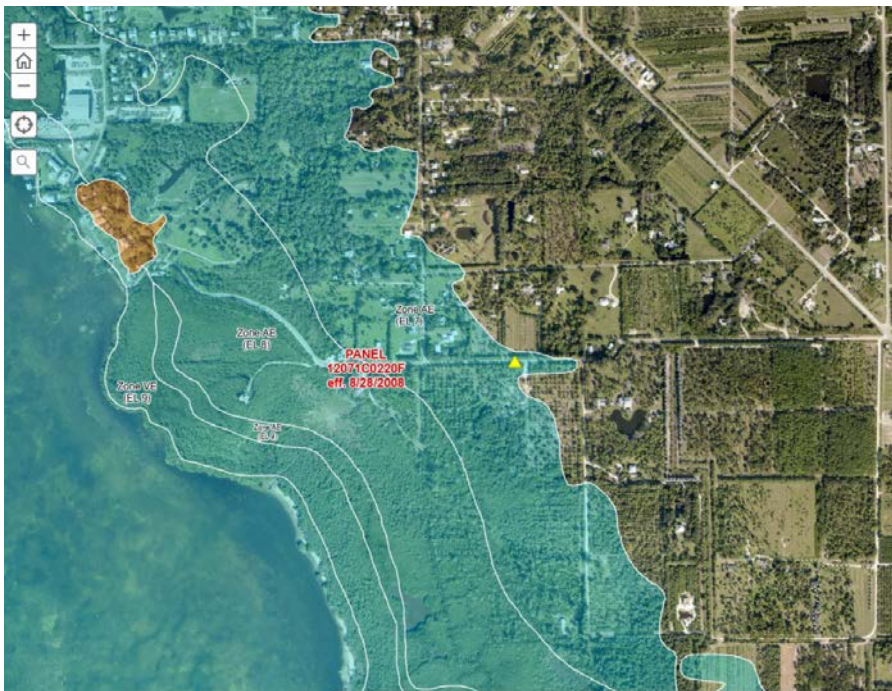
Flood zones shown in resiliency tool
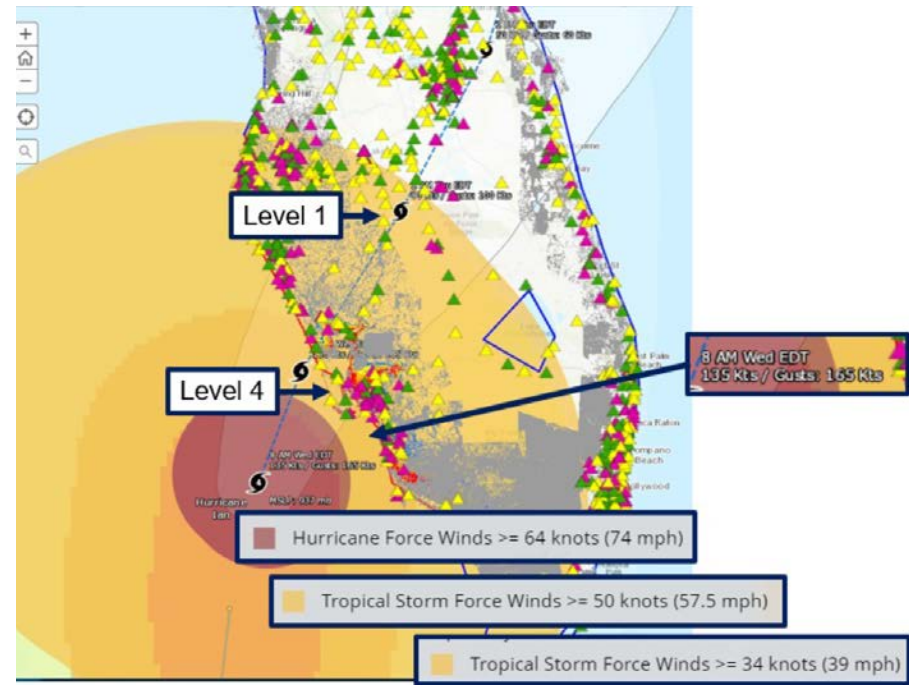
Hurricane impact risk shown in resiliency tool

GRI Index

Universal Standards:

GRI Title and Publication Standard	GRI Standards Profile Disclosure	GRI Standards Disclosure Title	2022 Response
GRI 2: General Disclosures 2021	2-1	Organizational details	2022 Form 10-K, Pages 4-5
GRI 2: General Disclosures 2021	2-2	Entities included in the organization's sustainability reporting	Not applicable
GRI 2: General Disclosures 2021	2-3	Reporting period, frequency and contact point	A Message to Our Readers: Page 3
GRI 2: General Disclosures 2021	2-4	Restatements of information	Not applicable for this reporting period
GRI 2: General Disclosures 2021	2-5	External assurance	A Message to Our Readers: Page 3
GRI 2: General Disclosures 2021	2-6	Activities, value chain and other business relationships	2022 Form 10-K, Pages 4, 5, 17
GRI 2: General Disclosures 2021	2-7	Employees	2022 Annual Report to Congress, Page 30 2022 Form 10-K, Page 8
GRI 2: General Disclosures 2021	2-8	Workers who are not employees	2022 Annual Report to Congress, Page 30 2022 Form 10-K, Page 8
GRI 2: General Disclosures 2021	2-9	Governance structure and composition	2022 Form 10-K, Pages 73-77
GRI 2: General Disclosures 2021	2-10	Nomination and selection of the highest governance body	USPS Board of Governors
GRI 2: General Disclosures 2021	2-11	Chair of the highest governance body	2022 Form 10-K, Page 76 USPS Board of Governors
GRI 2: General Disclosures 2021	2-12	Role of the highest governance body in overseeing the management of impacts	USPS Board of Governors
GRI 2: General Disclosures 2021	2-13	Delegation of responsibility for managing impacts	Chief Sustainability Officer USPS Board of Governors
GRI 2: General Disclosures 2021	2-14	Role of the highest governance body in sustainability reporting	The Postmaster General, not the highest governance body, reviews this information.
GRI 2: General Disclosures 2021	2-15	Conflicts of interest	2022 Form 10-K, Page 88
GRI 2: General Disclosures 2021	2-16	Communication of critical concerns	Board of Governors FY2023 Financials
GRI 2: General Disclosures 2021	2-17	Collective knowledge of the highest governance body	Not applicable
GRI 2: General Disclosures 2021	2-18	Evaluation of the performance of the highest governance body	2022 Form 10-K, Pages 79, 80
GRI 2: General Disclosures 2021	2-19	Remuneration policies	2022 Form 10-K, Page 76

GRI Title and Publication Standard	GRI Standards Profile Disclosure	GRI Standards Disclosure Title	2022 Response
GRI 2: General Disclosures 2021	2-20	Process to determine remuneration	2022 Form 10-K, Page 76
GRI 2: General Disclosures 2021	2-21	Annual total compensation ratio	2022 Form 10-K, Pages 82, 85
GRI 2: General Disclosures 2021	2-22	Statement on sustainable development strategy	
GRI 2: General Disclosures 2021	2-23	Policy commitments	Operations: Page 12 Environmental Commitment Letter: Page 7
GRI 2: General Disclosures 2021	2-24	Embedding policy commitments	Environmental Commitment Letter: Page 7
GRI 2: General Disclosures 2021	2-25	Processes to remediate negative impacts	Environmental Commitment Letter: Page 7
GRI 2: General Disclosures 2021	2-26	Mechanisms for seeking advice and raising concerns	USPS Policy USPS Office of Inspector General
GRI 2: General Disclosures 2021	2-27	Compliance with laws and regulations	2022 Form 10-K
GRI 2: General Disclosures 2021	2-28	Membership associations	Internal USPS email 2020-2024 Strategic Plan
GRI 2: General Disclosures 2021	2-29	Approach to stakeholder engagement	Materiality Assessment: Page 11
GRI 2: General Disclosures 2021	2-30	Collective bargaining agreements	2022 Form 10-K, Page 8
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Materiality Assessment: Page 11
GRI 3: Material Topics 2021	3-2	List of material topics	Materiality Assessment: Page 11
GRI 3: Material Topics 2021	3-3	Management of material topics	Materiality Assessment: Page 11

Topic Standards:

Disclosure Topic	GRI Disclosure	GRI Disclosure Title	2022 Response
Energy	302-1	Energy consumption within the organization	Energy: Page 19
Energy	302-3	Energy intensity	Energy: Page 19
Energy	302-4	Reduction of energy consumption	Energy: Page 19
Water and Effluents	303-5	Water consumption	Water: Page 23
Emissions	305-1	Direct (Scope 1) GHG emissions	Emissions: Page 15
Emissions	305-2	Energy indirect (Scope 2) GHG emissions	Emissions: Page 15
Emissions	305-3	Other indirect (Scope 3) GHG emissions	Emissions: Page 15

Disclosure Topic	GRI Disclosure	GRI Disclosure Title	2022 Response
Emissions	305-5	Reduction of GHG emissions	Emissions: Page 15
Waste	306-2	Management of significant waste-related impacts	Recycling and Minimizing Waste: Page 25
Waste	306-3	Waste generated	Recycling and Minimizing Waste: Page 25
Waste	306-4	Waste diverted from disposal	Recycling and Minimizing Waste: Page 25
Waste	306-5	Waste directed to disposal	Recycling and Minimizing Waste: Page 25
Occupational Health and Safety	403-8	Workers covered by an occupational health and safety management system	2022 Annual Report to Congress, Pages 41, 42
Occupational Health and Safety	403-9	Work-related injuries	2022 Annual Report to Congress, Page 33
Diversity and equal opportunity	405-1	Diversity of governance bodies and employees	2022 Annual Report to Congress, Page 15 2022 Form 10-K, Page 8

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