

2021 Annual Sustainability Report



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A Message for our Readers

Committed to Service. Committed to Sustainability.

As the nation was challenged during the pandemic in 2020, the United States Postal Service emphatically demonstrated our essential role in delivering for America. Our employees were focused on their work and ensuring that our customers received their medicines, health supplies, benefit checks, financial statements and correspondence.

We reaffirmed our mission of service to provide postal services to bind the nation together. As we continue to make good on that promise, our actions impact our employees, customers, environment and communities we serve. Our goal is to make a positive impact and take a leadership role in paving the way toward a sustainable future. As a key component of our commitment to continuous improvement, we've developed this Annual Sustainability Report to discuss how our operations impact our many stakeholders and explain our initiatives to address these impacts.

This report begins with an overview of the U.S. Postal Service and then is divided into six key sustainability topic areas: operations, environmental management, emissions, energy, water, and recycling and minimizing waste. We are proud to report our successes and areas of opportunity. This is how we approach corporate citizenship — laying a blueprint for success while being transparent about future improvements. This is also why your feedback is important. Help us to put our stamp on a greener tomorrow by participating in our [reader survey](#).

We will continue to move aggressively toward our environmental and corporate sustainability targets in the coming year. Look for updates on our endeavors at usps.com/green, [Facebook](#), [Instagram](#), [Twitter](#) and [LinkedIn](#).

Thank you for joining us.



Judy de Torok
Vice President, Corporate Affairs

This report covers fiscal year 2020 (Oct. 1, 2019, to Sept. 30, 2020) and follows the report released for FY2019.

This report has been prepared in accordance with the GRI Standards: Core option. External assurance was not pursued for FY2020.

For any questions regarding the report, please contact:

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USPS at a Glance

Our mission

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

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

FY2020 saw several significant organizational changes. In June, USPS welcomed Louis DeJoy as the 75th Postmaster General and Chief Executive Officer of the world's largest postal organization. Additionally, the Postal Service realigned core business operations in support of our mission and strategy, focusing on what we do best: collecting, processing, moving and delivering mail and packages.

Facts and figures

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: 39 US Code 101(a)

43 percent
of the world's mail volume handled by the Postal Service

161,374,152
city, rural, PO Box and highway delivery points

148.6 million
residential delivery points

12.8 million
business delivery points

SUPPLY CHAIN

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

Mailpieces processed and delivered **129.2 billion**

Headquarters

● Washington, DC

Total expenses **\$82.2 billion**

Total operating revenue **\$73.1 billion**

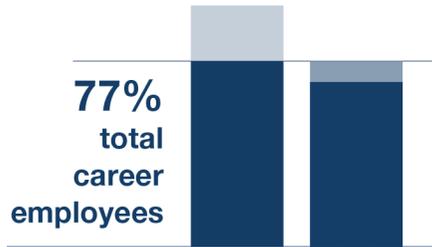
Total retail revenue **\$12.7 billion**

Sustainability

is a core commitment of the Postal Service.

As we invest in new vehicles and technology, we will champion sustainable and environmentally focused solutions.

644,033*
total career and non-career employees



90%
total career employees covered by collective bargaining agreements

We're multilingual.
The Postal Service offers **usps.com** in Spanish and Simplified Chinese.

34,451
Post Offices, stations, outlets and branches

USPS Fleet of Feet
7,000 letter carriers
who deliver mail entirely on foot



Vehicles 231,541

The Postal Service operates a fleet of **37,391 alternative fuel-capable vehicles**

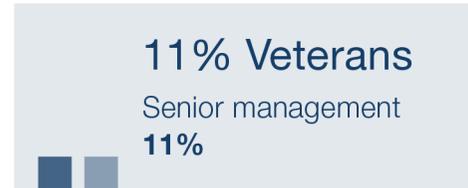
most of which are equipped to use ethanol. There are electric, hybrid, compressed natural gas and liquid propane gas vehicles in the fleet as well.

1

day at the Postal Service
4,800

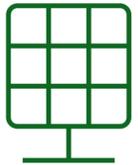
number of **addresses added** to our delivery network

98,356
number of **address changes** processed



13.7 billion
U.S. postage stamps printed

The Postal Service has a solar power generation system consisting of more than **38,000 solar panels** at its Los Angeles mail processing facility.



* Unaudited
Source: 2021 Postal Facts; Annual Report to Congress (ARC) 2020, Page 13; Form 10K, Page 7

Sustainability Management Approach

The Postal Service strives to provide prompt, reliable and efficient services to our customers in all areas and all communities to achieve our mission. Sustainability is integral to making sure we can carry out this mission today and in the future. Compliance with environmental regulatory requirements is the foundation of USPS sustainability. Building on compliance, 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 in these communities and beyond.

Strategic Business Partnerships and Initiatives

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

- International Post Corporation
- The Climate Registry (Platinum Status)
- How2Recycle®
- Association of National Advertisers
- National Postal Forum
- Mailers' Technical Advisory Committee
- Postal Customer Councils
- EPA WasteWise
- EPA Federal Green Challenge
- EPA SmartWay



Encouraging Market Relevance and Innovation

The scale of the Postal Service's operations requires continuous improvement and innovation. We encourage our employees to always consider how we can more efficiently, effectively and sustainably move the mail. The annual Sustainability Excellence Award Program recognizes innovative USPS functions, facilities and teams that contribute to a more sustainable workplace.

Employee Engagement

Our more than 644,000 employees are key to the success of our sustainability initiatives — employee engagement and outreach is a core component of our sustainability program. Our employee engagement strategy incorporates tools to identify sustainable solutions to common problems and track sustainability indicators, educational materials on environmental compliance topics and how to increase facility sustainability, and newsletters and internal articles highlighting sustainability actions and successes. Employee resources are all available on an internal sustainability website. Without the support and enthusiasm of our employees, we would not have the culture of conservation that has led us to achieve the progress towards our sustainability goals that we share in this report.



Interview with the Postmaster General and Senior Director, Environmental Affairs and Corporate Sustainability

Postmaster General and Chief Executive Officer Louis DeJoy talks with Senior Director, Environmental Affairs and Corporate Sustainability Jennifer Beiro-Réveillé about leading the way in environmental stewardship during a pandemic. They share their thoughts on opportunities and challenges for sustainability and environmental management at the Postal Service, and how the Postal Service is moving ahead while leveraging its critically important connection with communities across the nation.

The Postal Service has a long and storied history that includes luminary Benjamin Franklin as its first Postmaster General. What are your thoughts about stepping into such a hallowed role?

Louis DeJoy: I'm honored to follow in Benjamin Franklin's footsteps. He worked hard in the service of our country, making sure that people across the fledgling nation were connected. Many know that in addition to being a businessman, the first Postmaster General was an



Louis DeJoy
Postmaster General and Chief Executive Officer

inventor. One of his inventions, the Franklin stove, was an energy saving device meant to more efficiently heat a room using less wood.

At the Postal Service, we continue to follow Franklin's example by ensuring we maintain a business that is sustainable over the long term, with an eye to being good stewards of our environment in everything we do.

Why is sustainability important to the Postal Service and how does sustainability fit in the Postal Service's strategic business plans and objectives?

Louis DeJoy: First and foremost, our strategic business plans are designed to enable us to provide service to the American public, today and in the long term. To deliver a letter connecting a family during the coronavirus pandemic, a package containing medicines or health supplies, or the other important correspondences and goods our customers rely on, requires fuel, energy and infrastructure. Sustainability provides the opportunity to ensure that our activities and infrastructure have a positive impact on our customers and their communities today, tomorrow and for generations to come. As such, we will continue to incorporate sustainability into our products and services. Our customers tell us that they want the Postal Service to be a sustainable business and we simply must deliver on that business case.

What unique challenges did the Postal Service and Environmental Affairs and Corporate Sustainability face in fiscal year 2020? How are these being addressed, and will there be changes moving forward?

Louis DeJoy: The Postal Service is no different from organizations across our nation — COVID-19 has had a significant impact. We lost colleagues to COVID-19 and our workforce availability was challenged as thousands of employees either contracted the virus or had to

quarantine. The pandemic continues to confront us. We remain intensely focused on keeping the health and safety of our employees and customers as a top priority.

We are always mindful that we must build upon the core strengths of the Postal Service: our mission of public service and our people — who live, work and serve in every community in our nation. We strive to be the preferred delivery service for the American public providing world-class service to every U.S. home and business — now and for many decades to come. As we move forward, we embrace that the Postal Service is uniquely a business with a public service mission, which requires we change and improve continually.

Jennifer Beiro-Réveillé: Throughout the year, our focus in Environmental Affairs and Corporate Sustainability has been working with key stakeholders to adapt and innovate. I'm fortunate to work with a team of intelligent, dedicated and flexible individuals located across the nation. We quickly adapted to the new normal during the pandemic. We reconsidered the way we work and sought opportunities to not only adapt but innovate.

For instance, we were forced to pivot from in-person environmental compliance reviews to virtual desktop reviews. Not only did we seamlessly make this transition, but we collaborated with our supply management team to have one of our suppliers demonstrate how new drone technologies can be used during environmental compliance reviews at our larger locations — covering more ground faster and with less person-to-person contact. Moving forward, we'll continue to learn from our challenges, seek ways to adapt to our changing circumstances, and innovate to advance our work and drive cost efficient solutions.



Jennifer Beiro-Réveillé,
Senior Director, Environmental Affairs and Corporate Sustainability

What do you anticipate for next year?

Louis DeJoy: To continue to fulfill our mission over the next year we will use technology and innovation to optimize and adapt all of our operations, from retail and delivery, to logistics and transportation, to mail processing, and even our administrative and support functions, to meet our customers' changing needs. Our customers have a deep interest in sustainability and we will continue to focus on increasing our environmental stewardship across all manner of our operations.

A prime example is the announcement earlier this year of our next-generation delivery vehicle. Over the next 10 years, we will work to replace existing vehicles at the end of their life cycle with newer models that are safer, more energy efficient, and have the capacity to be retrofitted to keep pace with advances in electric vehicle technologies.

Jennifer Beiro-Réveillé: Environmental Affairs and Corporate Sustainability has had a busy year. We recently launched several innovative initiatives, including partnerships with How2Recycle and Greenfiber®. Our partnership with How2Recycle helps customers and employees understand how to properly recycle our products. It's essentially a labeling system with clear instructions on our packaging items such as Priority Mail Express boxes and ReadyPost packages available to customers in our Post Offices. Greenfiber is a company that makes home insulation material from recycled paper. In September 2020, three USPS facilities began sending undeliverable marketing mail to be recycled at a Greenfiber plant, providing an alternative to fiberglass and formaldehyde-treated insulation. This project is a win-win — our paper is recycled and the end product can help keep families' homes warm in the winter. We're looking forward to expanding these and other partnerships over the next few years.

Those partnerships are one of the new topics in this 2021 Annual Sustainability Report. We have some other new features in this report as well.

For example, we collaborated with our stakeholders to ensure that our report is inclusive of their priorities, that it highlights our environmental leadership, and that it reflects the impact of our organization in the broader economic, environmental and social contexts. We used our stakeholders' input to structure the report and reconsider our strategic path forward with our newly developed key performance indicators (KPIs). For that reason, in this report you will see our past goals alongside new goals that extend through 2030. In the coming year, we will collaborate with our business partners on the execution of our KPIs for our environmental, sustainability and energy performance areas to measure and track progress on critical metrics to ensure organization-wide success in achieving strategic objectives while driving cost efficiencies.

Closing thoughts?

Louis DeJoy: On behalf of our more than 644,000 employees — who take great pride in serving the nation and our customers reliably, securely, affordably, universally and sustainably — we hope you find our 2021 Annual Sustainability Report informative and inspiring.

Jennifer Beiro-Réveillé: I second that! We work hard to improve our report every year, and for the first time ever, we're including a reader survey. We want to hear from our readers and stakeholders so we can be responsive as we strive for continuous improvement. Please be sure to click on this [link](#) and tell us how we're doing. Thank you for taking the time to read our 2021 Annual Sustainability Report.





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 below. 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. In addition, they are guided by our [Ready-Now Future-Ready Five-Year Strategic Plan FY2020-FY2024](#). 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 additional 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 in the following sections and includes specific goals towards six of the topics. For additional information and resources related to each material topic, review the GRI Index on Page 23.

Section	Material Topic	Sustainability Goals
Sustainability Management Approach	<ul style="list-style-type: none"> Market relevance and innovation Strategic business partnerships Supply chain resilience 	
Operations	 <ul style="list-style-type: none"> Worker and customer safety Customer satisfaction 	
Environmental Management	 <ul style="list-style-type: none"> Environmental management 	
Emissions	 <ul style="list-style-type: none"> Responsive to climate risk 	<ul style="list-style-type: none"> Scope 1 and 2 emissions Scope 3 emissions
Energy	 <ul style="list-style-type: none"> Renewable energy Facility energy efficiency Fleet efficiency Contract transportation fleet efficiency 	<ul style="list-style-type: none"> Energy intensity
Water	 <ul style="list-style-type: none"> Water stewardship 	<ul style="list-style-type: none"> Water intensity
Recycling and Minimizing Waste	 <ul style="list-style-type: none"> Waste reduction Packaging footprint 	<ul style="list-style-type: none"> Waste diversion Secure destruction Green purchasing



Goals Snapshot

Greenhouse Gas Emissions

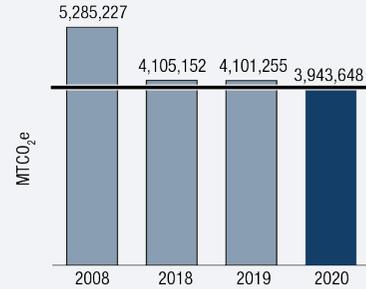
Goal

- Reduce Scope 1 and 2 emissions 25% from FY2008 by FY2025
- Reduce Scope 3 emissions 30% from FY2008 by FY2025

Progress

Scope 1 and 2 Emissions

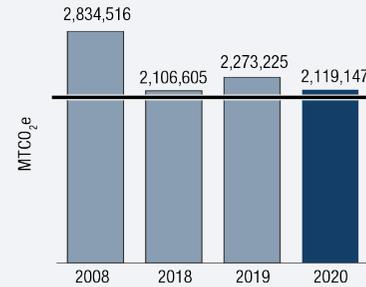
- FY2020 Scope 1 and 2: 25.4% reduction



GOAL
25%
decrease
by 2025
compared to
FY2008

Scope 3 Emissions

- FY2020 Scope 3: 25.2% reduction



GOAL
30%
decrease
by 2025
compared to
FY2008

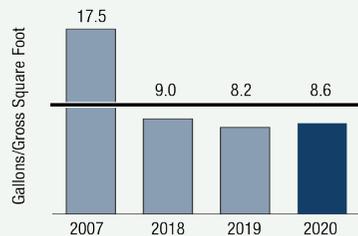
Water Intensity

Goal

- Reduce potable water intensity 36% from FY2007 by FY2025

Progress

- FY2020: 50.8% reduction



GOAL
36%
decrease
by 2025
compared to
FY2007

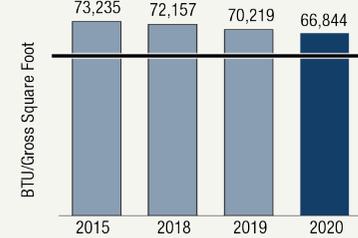
Energy Intensity

Goal

- Reduce energy intensity 25% from FY2015 by FY2025

Progress

- FY2020: 8.7% reduction



GOAL
25%
decrease
by 2025
compared to
FY2015

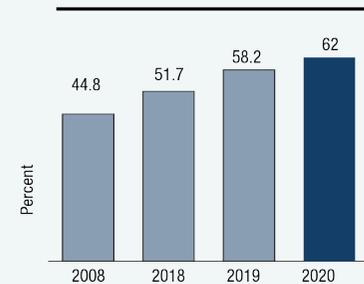
Waste Diversion

Goal

- Achieve a 75% diversion rate by FY2030

Progress

- FY2020: 62% diversion rate



GOAL
75%
diversion
rate by
2030



Operations

For the Postal Service to successfully deliver prompt, reliable and efficient services to our customers in all areas and all 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.

Worker and Customer Safety

Our more than 644,000 employees live in the communities they serve. Our employees drive trucks, delivery vehicles and powered industrial vehicles, and operate machinery and equipment ranging from football field-sized sorting machines to handheld scanners. Maintaining safety standards for such a diverse workforce is a complex task but vitally important to our employees and the communities in which we operate.

The mission of the USPS Safety Program is to create a culture of engaged employees who own their safety, health and wellness through standardized policies, procedures, processes and initiatives. The goal is to provide education, awareness, training and opportunities for collaboration with leaders throughout the organization so that the work environment is healthy and safe, accidents and injuries are prevented, and injured employees receive prompt and accurate payment of benefits and return to work as early as feasible.

Prevention is the guiding principle and the underlying philosophy of the USPS Safety Program. Each year our employees receive more than 500,000 hours of safety training on topics as diverse as driving, heat illnesses and office ergonomics. Training is delivered online as well as in person through "stand-up talks." In FY2020, our employees received more than 180,000 hours of

training on electrical safety and 80,000 training hours on emergency response and cleanup for unexpected releases of hazardous substances. Annually, we promote initiatives such as National Dog Bite Awareness Week, a campaign to promote responsible pet ownership.

Risk assessment and management are fundamental to preventing and controlling risks to safety and health in the workplace. We have a dedicated team of 780 safety and health professionals who assist with on-the-job training, industrial hygienists who assess our workplace, and nurses who offer on-site assistance and evaluations.



COVID-19

In 2020, the Postal Service established a COVID-19 Response Command Team to ensure proactive management of the pandemic's effect on employees, operations and customers. We instituted rules on face coverings, social distancing and enhanced cleaning measures. This focus on safety impacted our customers as well, with new procedures adopted at our more than 34,000 retail locations:

- Limiting the number of customers in retail facilities to no more than 10 at a time.
- Placing markings on the floor to maintain the CDC's 6-foot social distancing recommendation.
- Installing cough and sneeze barriers at retail counters.

Find more information on our approach to COVID-19 on our [Delivering for America during COVID-19 webpage](#).

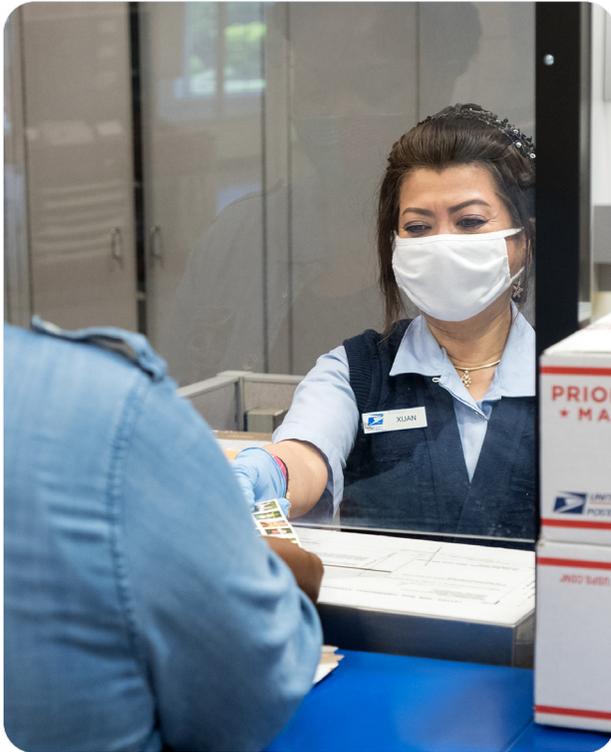
The Postal Service takes a holistic view of employee wellness. In FY2020, the key focus for our wellness team was providing employees with COVID-19 information and resources. We held numerous webinars via Zoom on emotional stress and working from home and conducted mindfulness seminars twice a week for our employees to join during their workday. Another key component of employee wellness is engagement — research shows that higher levels of employee engagement correlate to healthier work environments, successful teams and positive



business outcomes for organizations. As such, USPS aims to provide employees with an engaged workplace, one in which teams, individuals and leaders thrive and perform at high levels. For Postal Service employees, wellness includes physical and emotional health, financial security, connections with others in the community, and feeling fulfilled at work.

Customer Experience and Satisfaction

Customer experience and satisfaction is an important topic to the overall sustainability of our organization. The Postal Service measures customer satisfaction through a series of seven surveys (Delivery, Retail, Customer360, Customer Care Center, USPS.com, Business Service Network,



Business Mail Entry Unit) at every primary interaction point — touchpoint — with a business or residential customer. In FY2020, more than 5.5 million survey responses were collected to understand trends in customer satisfaction and identify ways to improve customer experience. The Postal Service improved its overall customer experience composite index score (72.40%) from FY2019 (69.04%), including improvements in six of seven touchpoint scores, but did not achieve the composite index target (75.73%).

Postal Service customers also have an opportunity to leave feedback on the surveys. We analyze this data to determine what matters to customers and other factors affecting their satisfaction with the Postal Service. For example, the top issue that surfaced in FY2020 was COVID-19.

In addition, our Annual Sustainability Report includes a survey seeking opinions from customers on current and future reporting topics and methods of information sharing. These methods aid our understanding of customer needs and help create an improved customer experience as we move forward on our sustainability journey. Take this year's survey [here](#).

Supply Chain Resilience

The Postal Service maintains supplier relationships accounting for more than \$12 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, Supply Management established a COVID-19 Supplies 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. 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. 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 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 the 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 assembling 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 — and make sure Supply Management's internal business partners receive the supplies they need, when they need them, and that our customers receive the mail they expect each delivery day.



Environmental Management

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 meet applicable federal, state and local environmental regulations.

Environmental Compliance Reviews

The Postal Service conducts environmental compliance reviews (ECRs) at our facilities to evaluate site-level compliance with all applicable environmental regulations and USPS policy. ECRs are the foundation of our compliance program. These reviews follow a standardized protocol to assess site compliance and provide a platform to directly engage with our employees on important policies, procedures and tools available to assist with compliance implementation. When necessary, we mandate corrective actions and track them to completion in our information management system. We use the information gathered from site reviews to enhance our compliance program and improve overall environmental performance.

In FY2020, we conducted 139 ECRs. During the first half of the fiscal year, we conducted 53 on-site reviews, which ranged from targeted evaluations of a specific operation or system to comprehensive multimedia ECRs. After the onset of COVID-19, we leveraged available technology

to transition to desktop methods to engage employees, gather information and evaluate environmental compliance remotely. These desktop ECRs were designed to keep our employees safe while reminding facilities of and verifying compliance with the various regulatory requirements associated with their environmental activities. We conducted desktop ECRs at 86 sites.

In 2021, we will 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. Using what we learned during 2020, we're ready to continue reviewing sites virtually as needed, and we'll be ready to transition back to on-site reviews when the health and safety of our employees are no longer at risk.

Clean Air Act

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

By complying with CAA 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 ECRs, 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 FY2020, we provided compliance training for approximately 4,100 employees via our online training system 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. This system is an important tool for over 7,500 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 (ECBs) on a dedicated environmental

management website. These nearly 150 ECBs serve as quick references for environmental compliance requirements and other best practices for environmental stewardship. We create new ECBs and maintain our existing ECBs to provide the most up-to-date regulatory requirements and information for our sites.

Despite recent challenges, we'll continue to seek innovative ways to monitor Postal Service environmental aspects and impacts and improve site-level compliance. We'll build on established programs to manage both ongoing and emerging environmental issues to ultimately reduce our environmental footprint.

Drone Technology: An Emerging Opportunity

In FY2020, we explored the use of drone technology (unmanned aircraft systems) during some site visits to determine compliance with laws and regulations for elimination of water pollution.

Drones can collect visual information, such as video and photographs, over a large area in a short time period. The drone views can also provide perspectives not available during a traditional site visit walk-through. Another key benefit is the ability to record visual information in areas with limited

access, which not only provides more comprehensive information but increases the safety of site visit personnel.

During a site visit at the Minneapolis-St. Paul Network Distribution Center in Minnesota, which involved stormwater collection ponds surrounded by vegetative growth, a drone was able to provide an overview of the pond areas and collect visual information along the banks of the ponds such as inlets and outlets that would be difficult to record on foot.

We're continuing to explore the benefits and future use of this technology. Potential applications for using drones include environmental compliance assessments with minimal on-site person-to-person contact, spill response planning, stormwater pond condition assessments, wetlands delineation, property or building condition assessments, security assessments and natural disaster damage assessments.





Emissions

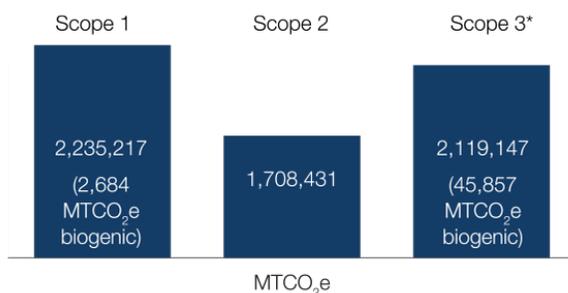
As a sustainability leader, USPS has a responsibility to address the risk of a changing climate by reducing our greenhouse gas (GHG) emissions. We partner with internal and external stakeholders to identify and implement opportunities across the organization that reduce our Scope 1, Scope 2 and Scope 3 emissions and improve our efficiency, productivity and resource use.

The Postal Service's GHG emissions goals are:



As we have achieved our existing goal of decreasing Scope 1 and Scope 2 emissions 25% from FY2008 by FY2025 several years early, this year we're setting a new goal with a FY2019 baseline. The new goal extends to FY2030 and leverages a refreshed commitment from stakeholders to further reduce our emissions through facility and vehicle energy use. A revised Scope 3 emissions goal is in development as the Postal Service reevaluates our transportation optimization strategy.

In FY2020, Postal Service GHG emissions included:



* 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 calculated separately and tracked. Scope 3 emissions from contract transportation are 7,209,858 MTCO₂e and Scope 3 emissions from buildings with fully serviced leases are 39,897 MTCO₂e.

USPS emission totals include carbon dioxide, methane, nitrous oxide and fugitive fluorinated gases expressed as metric tons of carbon dioxide equivalent (MTCO₂e) 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 (January 17, 2016)*, and use the DOE 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.

Details 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 on the following pages.

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. 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 include: 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 3 Emissions

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 currently has 30,024 active remote users and 10,500 were added in FY2020. Of that number, 5,500 were added in March and April because of teleworking due to COVID-19.

Employee Commuting: We offer a commuter benefits program to employees that incentivizes alternative modes of transportation (e.g., walking, cycling, public transportation) to reduce single employee vehicle commute trips.

Contracted Solid Waste Disposal and Wastewater Treatment: The Postal Service has recycling initiatives and goals across the organization 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.

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.

Buildings with Fully Serviced Leases: USPS does not manage emissions from facilities with fully serviced leases. In FY2020, there were 2,110 facilities with fully serviced leases.

Contract Transportation: USPS uses contract routes to transport mail to and from processing facilities and delivery locations. Our Dynamic Route Optimization program reduces highway contract route miles by scheduling transportation based on predicted volume rather than on a fixed schedule. Additionally, we right-size transportation equipment, reducing the need for empty trucks to travel down the road. This reduces the number of miles driven and the amount of fuel used for transportation. USPS plans to shift away from contract air transportation in favor of ground transportation because of economic factors and cost savings for ground transportation.



USPS BlueEarth

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.

The USPS BlueEarth Carbon Accounting service is an online report designed for major mailers that provides the emissions for their mailing and shipping activity. This information can be used for their corporate inventory or to purchase carbon credits to offset and provide carbon neutral shipping for their customers.

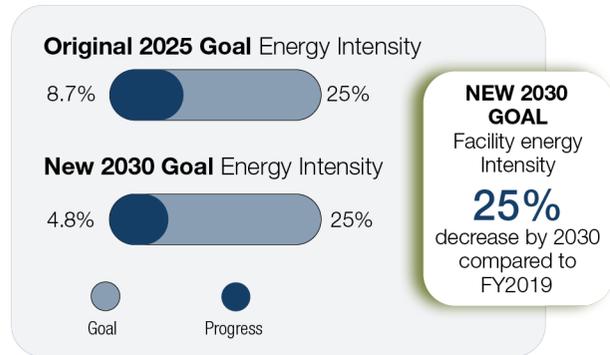
A USPS customer, Capital One, shared that “the USPS BlueEarth Carbon Accounting service allows us to better understand the greenhouse gas emissions resulting from U.S. Postal Service delivery of our marketing, letters and statements, as we work toward our Scope 3 emissions targets.”

Energy

The Postal Service operates an extensive network of 34,451 facilities and 231,541 vehicles in all 50 states and U.S territories. We manage facility energy and vehicle fuel to reduce the Postal Service's GHG emissions and conserve resources.

Facility Energy

The Postal Service's facility energy intensity goals are:



To align with our new emissions, water, and recycling and waste goals, this year we're resetting our facility energy intensity goal from a FY2008 baseline to a FY2019 baseline that extends to FY2030.

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

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

The Postal Service relies on our Utility Management System (UMS) and Enterprise Energy Management System (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 FY2020, a total of \$712,837 was recouped through the UMS program from utility service providers. UMS currently monitors nearly 6,000 Postal Service facilities, and we're currently evaluating an additional 900 facilities to add to UMS to extend these savings further.

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 through FY2020, 395 of 1,009 maintenance requests 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 1,454 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 — On-site renewable (solar photovoltaics and geothermal) and renewable energy credit (REC) purchases (wind and solar)

Renewable Total
636,587 gigajoules

Facility Energy Intensity
66,844 Btu*/ building GSF
(consumption in facilities only)

*To convert from Btu to gigajoules, 1 GJ = 947,817 Btu

Non-Renewable Energy

Non-renewable Total
47,994,840 gigajoules

- Purchased electricity minus REC purchases - 14,648,180 gigajoules
- Heating - 6,251,667 gigajoules
- Cooling - N/A
- Purchased steam - 120,822 gigajoules
- Vehicles: diesel, gasoline, LPG, B20, CNG and E85 - 26,974,171 gigajoules
- Sold - 0 gigajoules

Total Energy Consumption
48,631,427 gigajoules



Renewable Energy

In FY2020, USPS added to its on-site renewable energy production with a solar installation at the Bellmawr, New Jersey, processing and distribution center. This project includes installation of over 13,000 solar panels, with a capacity of 4.26 megawatts (MW). It's expected to generate 7,150 megawatt hours (MWh)* annually, which is enough electricity to power over 856 homes each year. In FY2021, USPS will continue to focus on the implementation of on-site solar photovoltaic systems at the Bellmawr facility in addition to an existing system at our Anaheim, California, facility.

In addition to on-site renewable energy production, the Postal Service has begun purchasing renewable energy in the form of credits. 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 a purchase of over 883,000 MW of green power over a four-year period. In FY2020, we purchased over 160,000 MWh of green power as a result. We'll continue to evaluate opportunities to include green power in new utility contracts.

*To convert from MWh to gigajoules, 1 MWh = 3.6 GJ.

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 the operation of the facilities. 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.

Additionally, the Postal Service conducts energy audits at our facilities and implements energy-saving measures where the return on investment is at least 30%. USPS conducted approximated 50 energy audits in FY2020 as part of utility-supported programs. However, following the initial audits, Postal Service paused new energy audit efforts in order to re-evaluate audit processes, while continuing to utilize previously completed energy audits to develop LED retrofit projects at USPS processing facilities.

Twin Rivers Lighting Project

Two employees at the Twin Rivers Processing and Distribution Center in Columbus, Ohio, worked to upgrade the facility's exterior lighting system to be more efficient, safe and economical. The maintenance department had been dealing with excessive costs to maintain the exterior lighting system, including ballasts, capacitors and bulbs, and renting a lift to install the equipment.

The employees prepared a proposal outlining the benefits and savings the facility would capture by converting to LED lighting and approached the Office of Sustainability to request assistance. All exterior lighting at the Twin Rivers facility was upgraded. The old, inefficient lighting in the parking lot, walkways, canopy and docks, and on the building itself, was converted to LED lighting.

The new lighting system does not need ballast or capacitor replacement. The bulbs have a longer lifetime, use less energy and lose less energy to heat. The bulbs provide cleaner illumination with a consistent color and the entire system requires less maintenance. The Twin Rivers facility is estimated to save \$230,000 over the next 10 years in energy costs and an additional \$215,000 in maintenance costs during the same period.





Vehicle Energy

Vehicles play an important role in Postal Service operations. USPS seeks to improve fuel efficiency in our vehicles while upholding our universal service obligation to deliver mail and packages to all 161 million address points in the United States, six 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.

On Feb. 23, 2021, the Postal Service announced the award of a 10-year contract for our Next Generation Delivery Vehicle. This contract will include U.S.-built postal delivery vehicles that will drive the most dramatic modernization of the USPS fleet in three decades. The vehicles will be equipped with either fuel-efficient internal combustion engines or battery electric powertrains and can be retrofitted to keep pace with advances in electric vehicle technologies. The contract is the first part of a multibillion-dollar 10-year effort to replace the Postal Service's delivery vehicle fleet, which includes many vehicles that have been in service for 30 years.

As a 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 utilizing a telematics system on our semitractor fleet to validate opportunities to improve safety, reduce fuel consumption and lower our maintenance costs. We have also performed pilot testing of several different telematics systems on our light duty and passenger vehicles in order to evaluate the return on investment. We have not made a final decision on implementation of a fleet-wide system but we're in the process of performing the financial evaluation and the best method to implement a telematics system.



Next Generation Delivery Vehicle

Hydrogen Fuel Cells

In our efforts to accelerate our path of innovation and investment in our future, the Postal Service is focused on implementing hydrogen fuel cell systems. We currently have two systems at the Washington, DC, Network Distribution Center — a steam methane reforming generation system and a delivered hydrogen solution. This technology is used for our powered industrial vehicles — tow motors, pallet jacks and forklifts — which are used to move mail within our plants.

Using data from these existing systems, we're evaluating the feasibility of scaling this technology to additional processing and distribution centers. We regularly evaluate facilities and technology options, focusing on facilities' existing powered industrial vehicle fleet, battery room, electrical capacity and space required. Four facilities are currently under review for expansion of hydrogen fuel cell technology. If a good candidate is identified, we'll proceed with a pre-design hydrogen infrastructure assessment and battery room electricity consumption baseline which will be used to develop a site-specific business case.

An additional opportunity to reduce our fuel emissions is alternative fuel vehicles. Approximately 40,000 of our over 200,000 current vehicles can be powered with alternative fuel, including electric, compressed natural gas, liquid propane and hybrid. We've issued guidance for all carriers to use alternative fuel in alternative fuel vehicles in line of travel. We also provide missed opportunity reports to our facilities that indicate instances when conventional fuel was purchased by a driver using an alternative fuel capable vehicle at a location where the alternative fuel is available and could have been purchased. These reports help emphasize the availability of alternative fuel and the importance of using it when available. We also plan to continue to work to incorporate alternative fuel requirements into our contracts to reduce our Scope 3 emissions. We also have 6,646 walking routes and 49 biking routes (seasonal).

USPS also has a rigorous vehicle preventive maintenance program. Vehicle maintenance is performed on a scheduled basis to provide the least interruption of regular mail transportation service. We provide training to vehicle personnel to ensure efficient and professional performance of all duties assigned and initiate quality control in maintenance procedures to maximize vehicle performance and ensure the highest level of vehicle safety and appearance. The Postal Service also performs annual evaluations of USPS-owned vehicles, including emissions control systems, and our vehicles are subject to state and local emissions testing regulatory requirements.

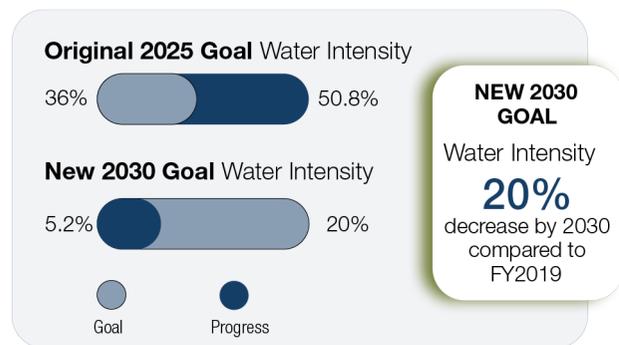


Water

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:



As we have achieved our existing goal of decreasing water intensity 36% from 2007 by FY2025 several years early, we're setting a new goal with a FY2019 baseline. Additionally, the new goal extends to FY2030.

In FY2020, Postal Service consumed 2.3 billion gallons (8,894 megaliters) of water across all operations. 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 Utility Management System to identify any significant variances 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 (greater than 25%). If identified, lists of variances are reported to the appropriate coordinators and managers for immediate action, either by identifying and correcting the issue with the assistance of a local plumber, reaching out to the utility service provider for meter read anomalies, or reporting the issue to our facilities

response line for urgent response. Once the issue has been corrected, managers are encouraged to contact the utility service provider to request reimbursement of excessive charges due to the issue.

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 approximated 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. In response to COVID-19, USPS used a hybrid site-visit model in FY2020, where most support activities were conducted remotely. We minimized in-person interactions on-site and focused on outdoor spaces, where we used drone technology to survey the area.

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 187 aging underground storage tank systems, reducing the number of federally regulated underground storage tanks by nearly 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 Helps Restore the Chesapeake Bay

The Postal Service has established policies to reduce pollution to stormwater and snowmelt, which can cause oil and other hazardous chemicals to enter the environment. We require our employees to do the following:

- Never allow vehicle wash water or other equipment wastewater to enter stormwater drains.
- Provide cover for potential contaminants such as oil, chemicals, batteries, tires, salt storage piles and trash that are stored outside.
- Keep exterior areas clean.
- Apply pesticides and fertilizers with precision and restraint.

In addition to these national policies, our facilities are subject to state and local stormwater regulations. For instance, in Potomac, Maryland, the USPS-owned William F. Bolger Center lies within the Chesapeake Bay Watershed. This means that when it rains, stormwater

washes excess nutrients, chemicals, oil and dirt from buildings, roads and parking lots into local creeks, streams and rivers that drain into the Chesapeake Bay.

The Bolger Center, an 83-acre facility used as a hotel, convention center, office space and USPS training facility, is subject to Maryland's Municipal Separate Storm Sewer System permits. These permits, issued under the federal Clean Water Act, establish stormwater management programs to control the discharge of pollutants and improve water quality in the Chesapeake Bay.

At the Bolger Center, compliance with the permit is achieved by implementing control measures to eliminate non-stormwater discharges and reduce pollutants associated with stormwater discharges to the maximum extent practicable. Bolger Center has developed and implemented a written pollution prevention plan and good housekeeping procedures designed to prevent the discharge of pollutants and minimize the amount of stormwater runoff impacted by facility operations.

The Bolger groundskeeping staff perform regular visual inspections to detect potential discharges and follow written procedures for corrective actions to address and document any release, spill or leak at the facility. In addition, members of the stormwater pollution prevention team conduct quarterly evaluations of existing stormwater outfalls, designated equipment, and maintenance and storage areas of the facility. All employees who work in areas where materials or activities are exposed to stormwater are trained annually. The training covers stormwater pollution prevention, spill prevention and response, periodic visual inspections, proper waste disposal and documentation requirements.

The Postal Service in general, and the Bolger Center in particular, are committed to complying with all applicable environmental laws and regulations. By doing so, USPS contributes positively to efforts such as Maryland's Chesapeake Bay Restoration Plan.





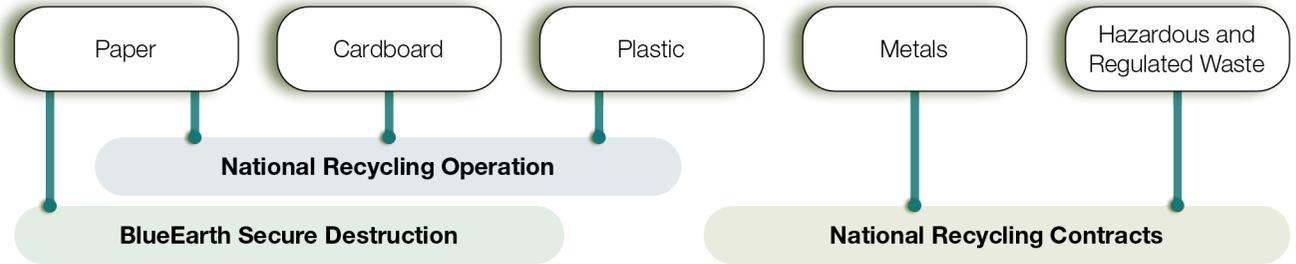
Recycling and Minimizing Waste

The Postal Service generates waste consisting primarily of paper, cardboard and clear shrink/stretch wrap, but also including batteries, used oil and other hazardous and regulated wastes. Recycling is the responsible approach to waste management for both the environment and our business. Recycling reduces the cost of waste disposal to landfills and provides an opportunity to receive revenue from the commodities that we recycle. In addition, recycling educates and engages employees and customers in sustainable business practices.

The Postal Service's recycling and waste diversion goal is:



As we have achieved our existing goal of a 50% diversion rate by 2025 several years early, this year we are setting a more aspirational goal to challenge postal employees to do their best to reduce waste and the cost of landfill disposal.



In FY2020, USPS recycled the following materials off-site:

Waste Stream	Waste Generated (Tons)	Waste Recycled (Tons)	Percent of Total Waste Diverted
Total	431,000	271,000	62%
Paper	254,000	182,000	72%
Cardboard	63,000	63,000	99%
Plastic	10,000	6,000	55%
Trash	81,000	0	0%
Other waste (metal, tires, used oil, batteries, etc.)	23,000	19,000	85%

Our initiatives to achieve a 75% diversion rate by FY2030 are detailed on the following pages.

National Recycling Operation. Our NRO was established in 2013 to facilitate standardization of USPS recycling activities, specifically focused on paper, cardboard and plastic recyclables. Recyclables from Post Offices are consolidated at hub facilities to achieve economies of scale and increase recyclable value. The NRO uses existing transportation and empty mail transport equipment, which ensures no additional fuel is required to transport the recyclables.

The NRO aims to increase recycling revenue and decrease waste disposal costs. The primary mechanism to achieve this goal is improving the efficient handling of cardboard, especially considering a significant increase in our package business over the year.

Cardboard: An Emerging Challenge

The expansion of package delivery and e-commerce has significantly increased the quantity and type of cardboard mail transport containers USPS receives and must handle. In response, we're embarking on several strategies to improve these operations:

- Establishing best practices and promoting awareness on greater reuse of cardboard containers.
- Performing cardboard recycling equipment technology evaluations and field tests to optimize handling efficiency and material value.
- Field testing alternatives to cardboard containers such as reusable and collapsible plastic containers.



USPS BlueEarth Secure Destruction: This mail service was created in response to business customer requests to reduce handling costs associated with return-to-sender mail that includes personally identifiable information. The Secure Destruction program identifies and intercepts undeliverable-as-addressed mail being returned to the sender and securely shreds and recycles it to protect any confidential or sensitive information. The service is free, secure and convenient, and provides data that can be downloaded by business customers to help them improve their mailing lists — reducing paper waste at the source. In addition to reducing handling and management costs for both mailers and USPS, the program avoids the carbon emissions associated with returning the mail to the sender. The program also provides a stronger security profile for participating mailers by ensuring confidential and sensitive information contained in the mail is securely removed from the mail stream and destroyed with fewer touchpoints than if it was returned to the sender.

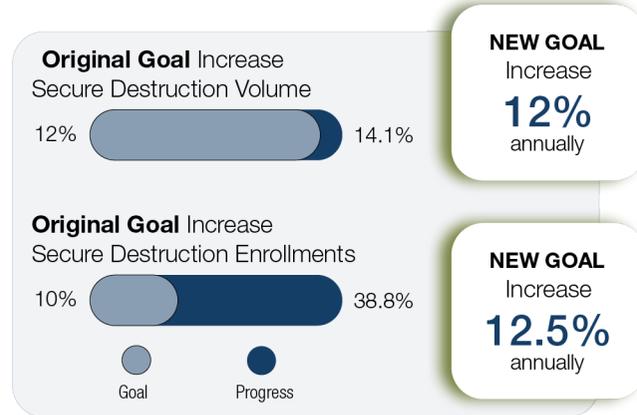
To improve efficiency and build participation in the program, we're regularly improving our processes and conducting marketing and outreach efforts with new mailers.



Secure Destruction: Census Mail

FY2020 was a remarkable year for the Postal Service for many reasons, including the census. The U.S. Census Bureau participates in the Secure Destruction mail service, and due to the high volume of census mail, the program saw a 99% increase in total volume of mail processed compared to FY2019! Our progress towards goal data does not reflect this atypical mailing.

The Postal Service's secure destruction goals are:



Federal Recycling Program: This program makes it easy for federal agencies and their employees to properly dispose of unwanted small electronics and empty ink and toner cartridges. Participating federal agencies and their employees can recycle official agency assets and personally owned property for free, online. Items sent to the Federal Recycling Program are remanufactured, remarketed or recycled, and agencies can access reports with measurable results to help track these items.

As of the end of FY2020, there were 37 agencies (including USPS) signed up for the recycling program. Our goal is to increase the number of agencies signed



up for the service and encourage greater participation among agencies that are already signed up by spreading awareness of the program and its benefits.

How2Recycle: The Postal Service has launched an effort to encourage more customers to recycle Priority Mail boxes and other packaging products. Customers are sometimes unaware that many USPS products — stamped with the words “Please Recycle” along with the universal chasing-arrows recycling symbol — are made from recyclable materials and shouldn't be discarded with other waste. To encourage more customers to recycle, the Postal Service has joined forces with How2Recycle, a consumer-oriented package labeling system that uses Federal Trade Commission guidance to help customers properly recycle.



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

The How2Recycle label is being added to Priority Mail, Priority Mail Express and ReadyPost packaging and other Postal Service products.





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 U.S., this means stamped envelopes can be placed directly in their blue recycling bin along with other paper products.



Pollution Prevention: As part of our effort to manage waste, the Postal Service is focused on pollution prevention, or eliminating waste 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 (EPP). These types of products have a lesser or 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 suppliers to provide products that meet our EPP criteria.

Original Goal Green Purchasing



NEW GOAL
Increase
5%
annually

The Office of Sustainability and Supply Management team work together to improve our ability to display and profile products available on our internal procurement website that have environmentally preferable attributes and to increase the number of EPP available to our employees. We also collaborate on integrating sustainability into the supply chain through use of contract clauses.

Hazardous and Regulated Waste Recycling. Postal Service operations sometimes result in the generation of hazardous and regulated waste, including, for example, 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 200,000 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 FY2020, the Postal Service recycled over 359,000 gallons of used oil — equivalent to saving over 15 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 FY2020, the Postal Service recycled approximately 101,000 pounds of small lead-acid and dry cell batteries, including lithium-ion batteries. Looking ahead, we're exploring options to make the battery recycling process more cost-effective for our smaller Post Office locations that recycle very few batteries.

GRI 102: General Disclosures

Organizational Profile

Disclosure	Disclosure Title	2020 Response
102-01	Name of the organization	United States Postal Service
102-02	Activities, brands, products and services	USPS at a Glance: Page 2 Pages 13-15, Annual Report to Congress
102-03	Location of headquarters	475 L'Enfant Plaza SW Washington, DC 20260
102-04	Location of operations	USPS at a Glance: Page 2 Page 13, Annual Report to Congress
102-05	Ownership and legal form	USPS at a Glance: Page 2 Page 13, Annual Report to Congress
102-06	Markets served	USPS at a Glance: Page 2 Pages 12-13, Annual Report to Congress Page 1, Form 10-K
102-07	Scale of the organization	USPS at a Glance: Page 2 Pages 23-28, Annual Report to Congress
102-08	Information on employees and other workers	USPS at a Glance: Page 2 Page 1, Postal Service Active Employee Statistical Summary Page 6, Form 10-K Page 28, Annual Report to Congress
102-09	Supply chain	Website: Supply Chain Philosophy
102-10	Significant changes to the organization and its supply chain	USPS at a Glance: Page 2 Pages 6, 15-17, 23-28, Annual Report to Congress
102-11	Precautionary principle or approach	Interview with the Postmaster General and Senior Director, Environmental Affairs and Corporate Sustainability: Page 5 Worker and Customer Safety: Page 9 Page 41, Annual Report to Congress
102-12	External initiatives	Sustainability Management Approach: Page 4

Disclosure	Disclosure Title	2020 Response
102-13	Membership of associations	Sustainability Management Approach: Page 4

GRI 102: General Disclosures — Strategy

Disclosure	Disclosure Title	2020 Response
102-14	Statement from senior decision-maker	Interview with the Postmaster General and Senior Director, Environmental Affairs and Corporate Sustainability: Page 5

GRI 102: General Disclosures — Ethics and Integrity

Disclosure	Disclosure Title	2020 Response
102-16	Values, principles, standards and norms of behavior	Page 97, Form 10-K

GRI 102: General Disclosures — Governance

Disclosure	Disclosure Title	2020 Response
102-18	Governance structure	Pages 4-7 and 8-11, Annual Report to Congress

GRI 102: General Disclosures — Stakeholder Engagement

Disclosure	Disclosure Title	2020 Response
102-40	List of stakeholder groups	Materiality Assessment: Page 7
102-41	Collective bargaining agreements	USPS at a Glance: Page 2 Page 28, Annual Report to Congress Pages 7-8, Form 10-K
102-42	Identifying and selecting stakeholders	Materiality Assessment: Page 7
102-43	Approach to stakeholder engagement	Materiality Assessment: Page 7
102-44	Key topics and concerns raised	Materiality Assessment: Page 7

GRI 102: General Disclosures — Reporting Practices

Disclosure	Disclosure Title	2020 Response
102-45	Entities included in the consolidated financial statements	Not applicable for this report.
102-46	Defining report content and topic boundaries	Materiality Assessment: Page 7
102-47	List of material topics	Materiality Assessment: Page 7

Disclosure	Disclosure Title	2020 Response
102-48	Restatements of information	Not applicable for this report period.
102-49	Changes in reporting	Materiality Assessment: Page 7
102-50	Reporting period	A Message for Our Readers: Page 1
102-51	Date of most recent report	A Message for Our Readers: Page 1
102-52	Reporting cycle	A Message for Our Readers: Page 1
102-53	Contact point for questions regarding the report	A Message for Our Readers: Page 1
102-54	Claims of reporting in accordance with the GRI Standards	A Message for Our Readers: Page 1
102-55	GRI content index	This GRI Content Index adheres to the requirements of this disclosure.
102-56	External assurance	A Message for Our Readers: Page 1

GRI Management Approach and Topic Specific Disclosures

Material Topic: Customer Satisfaction

Disclosure	Disclosure Title	2020 Response
103-1, 103-2, and 103-3	Management approach	Pages 36-39, Annual Report to Congress Pages 20-23 and 28-32, Five-Year Strategic Plan FY2020-FY2024

Material Topic: Responsive to Climate Risk

Disclosure	Disclosure Title	2020 Response
103-1, 103-2, and 103-3	Management approach	Emissions: Page 13 Pages 5-7, 12-14, and 18-19, Sustainability Reporting and Implementation Plan 2020 Page 13, Form 10-K Page 2, Fleet Alternative Fuel Vehicle Program Report
305-1	Direct (Scope 1) GHG emissions	Emissions: Page 13
305-2	Energy indirect (Scope 2) GHG emissions	Emissions: Page 13
305-3	Other indirect (Scope 3) GHG emissions	Emissions: Page 13

Material Topic: Facility Energy Efficiency, Renewable Energy, Fleet Efficiency, Contract Transportation Fleet Efficiency

Disclosure	Disclosure Title	2020 Response
103-1, 103-2, and 103-3	Management approach	Energy: Page 15 Pages 5-7, Sustainability Reporting and Implementation Plan 2020
302-1	Energy consumption within the organization	Energy: Page 15
302-3	Energy Intensity	Energy: Page 15

Material Topic: Environmental Management

Disclosure	Disclosure Title	2020 Response
103-1, 103-2, and 103-3	Management approach	Environmental Management: Page 11

Material Topic: Market Relevance and Innovation

Disclosure	Disclosure Title	2020 Response
103-1, 103-2, and 103-3	Management approach	Sustainability Management Approach: Page 4 Page 56-57, Annual Report to Congress Page 23-25, Five Year Strategic Plan FY2020-FY2024

Material Topic: Packaging Footprint

Disclosure	Disclosure Title	2020 Response
103-1, 103-2, and 103-3	Management approach	Recycling and Minimizing Waste: Page 20

Material Topic: Strategic Business Partnerships

Disclosure	Disclosure Title	2020 Response
103-1, 103-2, and 103-3	Management approach	Sustainability Management Approach: Page 4 Page 3, Annual Report to Congress

Material Topic: Supply Chain Resilience

Disclosure	Disclosure Title	2020 Response
103-1, 103-2, and 103-3	Management approach	Emissions: Page 13 Supplying Principles and Practices Supplier Diversity Corporate Plan

Material Topic: Waste Reduction

Disclosure	Disclosure Title	2020 Response
103-1, 103-2, and 103-3	Management approach	Recycling and Minimizing Waste: Page 20 Page 10-12, 15-18, Sustainability Reporting and Implementation Plan 2020
306-3	Waste generated	Recycling and Minimizing Waste: Page 20
306-4	Waste diverted from disposal	Recycling and Minimizing Waste: Page 20

Material Topic: Water Stewardship

Disclosure	Disclosure Title	2020 Response
103-1, 103-2, and 103-3	Management approach	Water: Page 18 Page 7-8, Sustainability Reporting and Implementation Plan 2020
303-5	Water consumption	Water: Page 18

Material Topic: Worker and Customer Safety

Disclosure	Disclosure Title	2020 Response
103-1, 103-2, and 103-3	Management approach	Operations: Page 9 Page 20-21, 41-42, Annual Report to Congress Page 11-12, Form 10-K





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