

Royal Mail cuts emissions per parcel by 20% in 2024-25

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The company's latest Environmental, Social and Governance (ESG) report, published today, shows average carbon emissions per parcel fell to 165gCO2e from 206gCO2e in the prior year. This is considerably lower than other major UK parcel operators, which have reported emissions of between c.308g and c.547gCO2e per parcel*.

The reduction was driven by the company's increased use of low-emission biofuel Hydrotreated Vegetable Oil (HVO) in its fleet of large trucks, the deployment of 1,900 new electric vans, energy efficiency measures across its estate and a strong reduction in its Scope 3 emissions, including almost halving the number of domestic flights.

Royal Mail's total (market-based) emissions were 1,173KtCO2e in 2024-25, representing an overall reduction of 25% on its base year in 2020-21. Scope 1-2 emissions decreased by 27% against the base year, while Scope 3 emissions fell by 24% compared to the base year. The company has pledged to reach Net-Zero by 2040 as part of its 'Steps to Zero' environment strategy and has set interim targets to 2030.

The company recently unveiled its 7,000th electric vehicle with Future of Roads Minister Lilian Greenwood and announced it will invest in 1,800 more electric vans and supporting charging infrastructure over the next year. Almost half of the new vans will be

built at Stellantis's Ellesmere Port plant.

Other highlights in the report include the deployment over 27 million litres of HVO in some of Royal Mail's larger trucks, resulting in c.44,000 tCO2e in emissions savings, and the purchase of 100% renewable electricity across its estate. The report can be read in full here.

Alistair Cochrane, interim CEO at Royal Mail, said: "We're immensely proud of our sustainability progress which has once again exceeded our expectations. We are the UK's greenest delivery company for parcels and letters* and are reaping the rewards of our work to make our fleet and estate more environmentally friendly, on top of the benefits of our unique 'feet on the street' delivery model. Whilst there's still lots more work to be done, this huge achievement reflects our commitment to being Net-Zero by 2040."

* Based on average gCO2e emissions per parcel delivered by UK parcel operators, as published by Citizens Advice 2024 Parcels



League Table. Source: <u>International Distribution Services</u>