

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K  
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 11, 2020



United Parcel Service, Inc.  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other Jurisdiction  
of Incorporation)  
55 Glenlake Parkway N.E.,  
Atlanta, Georgia  
(Address of Principal Executive Offices)

001-15451  
(Commission File Number)

58-2480149  
(IRS Employer  
Identification No.)

30328  
(Zip Code)

Registrant's telephone number, including area code (404) 828-6000

Not Applicable  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Class B common stock, par value \$0.01 per share	UPS	New York Stock Exchange
Floating-Rate Senior Notes Due 2020	UPS20A	New York Stock Exchange
1.625% Senior Notes Due 2025	UPS25	New York Stock Exchange
1% Senior Notes due 2028	UPS28	New York Stock Exchange
0.375% Senior Notes due 2023	UPS23A	New York Stock Exchange
1.500% Senior Notes due 2032	UPS32	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined by Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company.

If an emerging growth company, indicate by check mark if the registrant has elected not use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 5.02 - Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On March 12, 2020, United Parcel Service, Inc. (“UPS”) announced that Carol B. Tomé has been appointed by the board of directors (the “Board”) as Chief Executive Officer of UPS, effective as of June 1, 2020. Ms. Tomé has been a member of the UPS Board since 2003 and most recently served as Executive Vice President and Chief Financial Officer of The Home Depot, Inc., the largest home improvement retailer in the U.S., from 2001 to August 2019.

Ms. Tomé will succeed David P. Abney, UPS’s Chairman and Chief Executive Officer, who notified UPS on March 11, 2020, of his decision to retire as Chief Executive Officer, effective as of June 1, 2020, and from the Board, effective as of September 30, 2020. Following his retirement as Chief Executive Officer, Mr. Abney will remain on the Board and will serve as Executive Chairman to assist with transition matters until September 30, 2020. Thereafter, he will remain employed by UPS in the role of special consultant to the Chief Executive Officer and the Board until December 31, 2020. The Board has elected William R. Johnson, an independent director, to serve as Chairman of the Board upon Mr. Abney’s resignation as Executive Chairman on September 30, 2020. Mr. Johnson, who currently serves as the Board’s independent Lead Director, will continue in that role until that time.

In her prior position at The Home Depot, Inc., Ms. Tomé, 63, provided leadership in the areas of real estate, financial services and strategic business development. Prior to her service as Executive Vice President and Chief Financial Officer, Ms. Tomé served as Senior Vice President — Finance and Accounting / Treasurer from 2000 until 2001, and from 1995 until 2000, she served as Vice President and Treasurer. Ms. Tomé currently serves on the boards of directors of Verizon Communications Inc. and Cisco Systems, Inc. She also has served as a Member of the Advisory Board of certain Fidelity funds since 2017 and previously served as a Trustee of certain Fidelity funds during 2017. In connection with her appointment as Chief Executive Officer, the Board appointed Ms. Tomé to serve on the Board’s Executive Committee effective June 1, 2020, and as Chairperson thereof effective September 30, 2020.

Ms. Tomé has no family relationships with any director or executive officer of UPS, and there are no arrangements or understandings with any person pursuant to which she will be selected as an officer of UPS. In addition, there have been no transactions directly or indirectly involving Ms. Tomé that would be required to be disclosed pursuant to Item 404(a) of Regulation S-K under the Securities Exchange Act of 1934.

In connection with her appointment as Chief Executive Officer, on March 11, 2020, UPS entered into an employment offer letter with Ms. Tomé (the “Offer Letter”). Pursuant to the Offer Letter, beginning June 1, 2020 Ms. Tomé will be entitled to an annual: (i) base salary of \$1,250,000; (ii) Management Incentive Program (“MIP”) target award valued at 165% of her base salary, which for 2020 will be prorated and payable in vested Class A common stock; (iii) Long-Term Incentive Performance (“LTIP”) program target award valued at 735% of her base salary; and (iv) stock option grant valued at 90% of her base salary.

Ms. Tomé also entered into a protective covenant agreement (the “Protective Covenant Agreement”), which protects UPS’s confidential information and includes customary noncompetition and nonsolicitation covenants in favor of UPS. It also provides Ms. Tomé with continued payment of her base salary for up to 24 months if her employment is terminated by UPS without “cause” within two years following her start date.

In connection with his announced retirement, on March 11, 2020, UPS entered into an agreement (the “Transition Agreement”) with Mr. Abney. Pursuant to the Transition Agreement, Mr. Abney will continue to be entitled to his current base salary through December 31, 2020 and he will receive a 2020 MIP target award valued at 165% of base salary. In addition, Mr. Abney will receive a 2020 LTIP target award valued at 300% of his base salary. The Transition Agreement also includes customary noncompetition, nonsolicitation and non-disparagement covenants in favor of UPS. The foregoing descriptions of the Offer Letter, Protective Covenant Agreement and Transition Agreement are qualified in their entirety by reference to the full text of the Offer Letter, Protective Covenant Agreement and Transition Agreement, copies of which are attached hereto as Exhibit 10.1, Exhibit 10.2 and Exhibit 10.3, respectively.

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**Item 7.01 - Regulation FD Disclosure.**

A press release issued on March 12, 2020 regarding the matters described above has been furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information in this report furnished pursuant to Item 7.01, including Exhibit 99.1 attached hereto, shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section. It may only be incorporated by reference in another filing under the Exchange Act or the Securities Act of 1933, as amended, if such subsequent filing specifically references the information furnished pursuant to Item 7.01 of this report.

**Item 9.01 - Financial Statements and Exhibits.**

(d) Exhibits

- 10.1 [Employment offer letter agreement between UPS and Carol B Tomé, dated March 11, 2020](#)
  - 10.2 [Protective Covenant Agreement between UPS and Carol Tomé, dated March 11, 2020](#)
  - 10.3 [Transition Agreement between UPS and David P. Abney, dated March 11, 2020](#)
  - 99.1 [Press release issued on March 12, 2020](#)
  - 104 The cover page from this Current Report on Form 8-K, formatted in Inline XBRL
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Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: March 13, 2020

UNITED PARCEL SERVICE, INC.  
By: /s/ NORMAN M. BROTHERS, JR.  
Norman M. Brothers, Jr.  
Senior Vice President, General Counsel and Corporate Secretary



**Exhibit 10.1**

March 11, 2020

Carol Tomé  
100 Galleria Parkway  
Suite 1440  
Atlanta, GA 30339

Dear Carol,

Since the earliest days of UPS, nearly 113 years ago, we've regarded our management team as partners. Our company's founder, Jim Casey, established a culture where we share ownership in the company, a responsibility to help one another and our communities, and a commitment to integrity and the values of UPS.

We are proud to offer you the opportunity to join our partnership. On behalf of UPS, I am pleased to formally extend to you the offer to serve as our Chief Executive Officer. Your talents and experience should enable you to make valuable contributions to UPS and I am confident that you will find the opportunity rewarding and challenging.

This Offer Letter confirms the key terms of our offer of employment.

***Compensation***

- Your initial base salary will be \$104,167 per month (\$1,250,000 annually). Merit increases will follow UPS annual merit guidance and take effect with April payroll. Your start date will be June 1, 2020 and you will be eligible for your first merit increase in 2021. Your principal place of employment with UPS will be at the company's corporate headquarters in Atlanta, Georgia. As the Chief Executive Officer, you will report directly to the Board of Directors of UPS (the "Board").
- You will be eligible to participate each year of your employment in the UPS Management Incentive Program (MIP) in accordance with the terms of the MIP then in effect. The target value of your annual MIP Performance Incentive award will be 165% of your annualized base salary. The actual award will be determined by multiplying your target award value by a factor that is determined based upon company performance against annually defined measures, as well as by an individual performance factor that is determined by the Board.
- Currently, any earned MIP Performance Incentive award is paid one-third in electable cash and two-thirds in restricted performance units ("RPUs") granted pursuant to the applicable UPS incentive compensation plan. MIP RPUs vest after one year and are paid in unrestricted (for purposes of this Offer Letter, "unrestricted" means freely transferable with no holding period or other restrictions on the shares, subject to UPS's Insider Trading Compliance Program Guidelines and applicable securities laws), fully vested UPS Class A common stock (net of applicable tax withholdings). However, your initial MIP award for 2020, pro-rated for the portion of 2020 that you are employed by UPS, will be delivered in March 2021, and paid entirely in unrestricted, fully vested UPS Class A common stock.

- As a UPS MIP participant, you will be eligible to receive annually a UPS MIP Ownership Incentive award. Under current program terms, your UPS MIP Ownership Incentive award is 1.25% of the value of your eligible UPS holdings (including outstanding and unvested MIP RPUs) up to a maximum of one month's base salary and is delivered in conjunction with MIP Performance Incentive awards in March of each year. Like the MIP Performance Incentive award, the UPS Ownership Incentive award is paid one-third in electable cash and two-thirds in RPUs. However, any UPS MIP Ownership Incentive award for 2020, which would be delivered in March 2021, will be paid entirely in unrestricted, fully vested UPS Class A common stock.
- You will be eligible to participate annually in the UPS Long-Term Incentive Performance award program (LTIP) in accordance with the terms of the LTIP then in effect. The LTIP provides for equity grants to senior UPS leaders and is focused on delivering long-term shareholder value. LTIP awards are made in RPUs that vest and convert to UPS Class A common stock three years after grant based on company performance over the period. Your target LTIP award level will be 735% of your annualized base salary. The actual award values will be determined by company performance measured against annually established three-year targets. Current metrics, which are subject to change, are adjusted earnings per share growth and adjusted free cash flow, subject to modification based on total relative shareholder return performance during the three-year performance period. LTIP awards are normally granted annually in March. Your first grant under the LTIP will occur in June 2020 and will be subject to the same performance metrics and vesting terms and schedule as the awards expected to be made to the Company's executive officers on March 26, 2020.
- You will be eligible to receive an annual non-qualified stock option grant pursuant to the applicable UPS incentive compensation plan. Your target stock option award value is 90% of your annualized salary and is generally awarded in February of each year. Your first grant of stock options will occur in June 2020 and will be subject to the same vesting terms and schedule as the awards made to the Company's executive officers on February 12, 2020. The stock options vest pro-rata over five years, with a ten-year maximum term and are subject to the terms of the incentive compensation plan and an award agreement. The number of options will be determined by dividing the total grant value by the Black-Scholes valuation of the options determined as of the date of grant.
- You will be eligible for participation in the UPS Deferred Compensation Plan. This plan allows deferral of a portion of your salary as well as the electable cash portion of UPS MIP awards in accordance with the limitations set forth in the terms and conditions of the plan.
- You will be eligible to participate in UPS's defined contribution retirement program, subject to the terms and conditions thereof then in effect. As presently structured, the program provides:
  - A 50% company match on your contributions up to 6% of eligible compensation; and
  - A service-based UPS Retirement Contribution which begins as 5% of eligible compensation, increasing after five years of service, and is fully vested after three years of service.
- You will be eligible for personal financial counseling services and tax return preparation reimbursement, within the limits established by UPS. The current annual limit for personal financial counseling and tax preparation services is \$15,000.

### **Benefits**

- You will be eligible to participate in the UPS Flexible Benefits Plan in accordance with the terms and conditions thereof, including the following benefits:
  - Healthcare (multiple plan options)
  - Dental
  - Vision Care
  - AD&D Coverage
  - Life Insurance (self, spouse, children)
  - Critical Illness Insurance
  - Healthcare Spending Account
  - Child/Elder Care Spending Account

Information on the UPS Flexible Benefits Plan and enrollment will be provided separately to you.

- You will be eligible for 30 vacation days and 5 personal days per annum.

***Additional Terms***

- You will be an “at-will” employee, which means either you or the Board may terminate your employment at any time and for any reason.
- For purposes of the MIP, the LTIP, your awards of stock options and any awards under the Company’s 2018 Omnibus Incentive Compensation Plan (or a successor plan), the Compensation Committee of the Board will treat your prior service on the Board as service as an employee in determining your eligibility for “Retirement” treatment thereunder.
- Your employment is contingent upon your signing the attached UPS Protective Covenant Agreement. This agreement protects the company’s intellectual property, talent and competitive advantages while also meeting stockholder expectations governing executive compensation. You are encouraged to read this agreement carefully and make sure that you understand its terms. In summary, the restrictions set forth in the Agreement include:
  - A prohibition on disclosure of the company’s confidential information;
  - A non-compete provision covering all domestic and worldwide geographic areas in which UPS does business in the transportation and logistics industries; and
  - A prohibition on recruiting or soliciting company employees and customers.
- Your signature below acknowledges and confirms that: (i) your execution, delivery and performance of this Offer Letter does not and will not conflict with, breach, violate or cause a default under any contract, agreement, instrument, order, judgment or decree to which you are a party or by which you are bound, and (ii) you are not a party to or bound by any employment agreement, non-competition or non-solicitation agreement or confidentiality agreement or any other similar agreement with any other person or entity besides UPS. This Offer Letter, once executed and delivered by the parties hereto, will be a legally binding document (without the requirement of further ratification).
- UPS employee benefit and incentive compensation plan and other program terms are referenced in this offer letter, e.g. 2018 UPS Omnibus Incentive Compensation Plan, UPS Flexible Benefits Plan, UPS Savings Plan. If there are any inconsistencies between this letter and the official terms and condition in the plan documents, the plan documents control.
- We anticipate your start date as CEO to be June 1, 2020, at which time you will no longer be eligible to receive any compensation as a director.

I look forward to working with you and expect you will find your partnership with UPS to be a rewarding and exciting experience. If you have any questions, please feel free to contact me.

Sincerely,

*/s/ William R. Johnson*

William R. Johnson  
UPS Lead Independent Director

***Acceptance***

I have read the offer of at-will employment UPS has presented to me in this Offer Letter. I understand and agree that if I choose to accept UPS's offer that my employment at UPS is and will remain "at-will" and that both UPS and I will have the right to terminate the employment relationship at any time and for any reason without prior notice. I also understand and agree that neither company policy, practice nor employee statements to me can alter the at-will status of my employment. My status as an at-will employee may be modified only by a written employment agreement so specifying and signed by an officer of UPS.

ACCEPTED BY:

*/s/ Carol B. Tomé*

\_\_\_\_\_  
(Signature)

March 11, 2020

\_\_\_\_\_  
(Date)

Carol B. Tomé

\_\_\_\_\_  
(Print Name)

Offer of Employment With UPS for Carol Tomé



**UPS PROTECTIVE COVENANT AGREEMENT**

I, Carol Tomé, am voluntarily entering into this Protective Covenant Agreement (“Agreement”) with United Parcel Service, Inc. (“UPS” or “the Company”) and the UPS Board of Directors (the “Board”) on the date set forth below (the “Effective Date”).

**1. ACKNOWLEDGMENTS.**

(a) Key Employee: I acknowledge and agree that, by reason of my highly specialized skillset and the Company’s investment of time, training, money, trust, and exposure to Confidential Information, I am intimately involved in the planning and direction of the Company’s global business operations.

(b) Consideration:

(i) Employment: I acknowledge and agree that my execution of, and compliance with, this Agreement are material factors in the Board’s decision to hire me and to provide me with access to Confidential Information that is not provided to other employees of the Company, which constitutes good and valuable consideration for the covenants set forth in this Agreement.

(ii) Separation Pay: In further consideration for my obligations under this Agreement, the Company shall pay me Separation Pay under the following terms and conditions:

(1) In the event that my employment is terminated by the Board without Cause during the first two (2) years after the start date of my employment as set forth in my Offer Letter with UPS (the “Offer Letter”) dated as of the Effective Date (the “Start Date”), the Company shall pay me Separation Pay.

(2) In the event that my employment is terminated by the Board without Cause after I have been employed for two (2) years after the Start Date, the Company shall only be required to pay me Separation Pay in the event that the Company elects, at its sole discretion, to require that I be bound by the post-termination Covenant Not to Compete described in Paragraph 6 below. If the Company elects not to require that I be bound by the post-termination Covenant Not to Compete described in Paragraph 6 below, I understand that I will not be paid Separation Pay. For the sake of clarity, except as set forth in this Paragraph 1.(b)(ii)(2) of this Agreement, I acknowledge and agree that I will be bound by the post-termination Covenant Not to Compete described in Paragraph 6 below.

(c) Potential Unfair Competition: I acknowledge and agree that, as a result of my receipt of Confidential Information, my role at UPS, and my relationships with UPS customers and/or employees, I would have an unfair competitive advantage if I were to violate this Agreement.

(d) No Undue Hardship: I acknowledge and agree that, in the event that my employment with the Company terminates for any reason, I possess marketable skills and abilities that will enable me to find suitable employment without violating the covenants set forth in this Agreement.

(e) Voluntary Execution: I acknowledge and affirm that I am executing this Agreement voluntarily, that I have read this Agreement carefully, that I have had a full and reasonable opportunity to consider this Agreement (including actual consultation with legal counsel), and that I have not been pressured or in any way coerced, threatened or intimidated into signing this Agreement.

**2. DEFINITIONS.**

(a) “Cause” means a termination of my employment by the Board due to one or more of the following: the commission of any felony or commission of a misdemeanor involving theft or moral turpitude; and/or commission of any act or omission that constitutes gross neglect or willful misconduct (other than periods of illness) or misconduct with respect to my employment duties that results in economic harm to the Company; and/or violation of any of the Company’s substance abuse, compliance or any other material written policies that may be applicable to me and that may be in effect at the time of the occurrence; and/or a material breach of any material provision of this Agreement or any other agreements or understanding in effect at the time of the breach, between me and the Company. Any act, or failure to act, based upon authority given pursuant to a resolution duly adopted by the Board of Directors of the Company or based upon the advice of counsel for the Company shall be conclusively

presumed to be done, or omitted to be done, in good faith and in the best interests of the Company. I shall be provided a 15-day period to cure any of the events or occurrences described above, to the extent curable.

(b) “Company” means United Parcel Service, Inc., a Delaware Corporation with its principal place of business in Atlanta, Georgia, and all of its Affiliates (as defined in O.C.G.A. § 13-8-51(1)).

(c) “Confidential Information” means all information regarding the Company, its activities, businesses or customers which I learned as a result of my employment, that is valuable to the Company and that is not generally disclosed by practice or authority to persons not employed or otherwise engaged by the Company, but that does not rise to the level of a Trade Secret. “Confidential Information” shall include, but is not limited to, financial plans and data; legal affairs; management planning information; business plans; acquisition plans; operational methods and technology; market studies; marketing plans or strategies; product development techniques or plans; customer lists; details of customer contracts; current and anticipated customer requirements and specifications; customer pricing and profitability data; past, current and planned research and development; employee-related information and new personnel acquisition plans. “Confidential Information” shall not include information that is or becomes generally available to the public by the act of one who has the right to disclose such information without violating any right or privilege of the Company. However, although certain information may be generally known in the relevant industry, the fact that the Company uses such information may not be so known and in such instance the information would compromise Confidential Information. This definition shall not limit any definition of “confidential information” or any equivalent term under applicable state or federal law.

(d) “Protected Customers” means customers or actively sought potential customers with whom I had material contact, which shall include customers or actively sought potential customers (i) who I dealt with on behalf of the Company; (ii) whose dealings with the Company are or were coordinated or supervised by me; or (iii) about whom I obtained Confidential Information as a result of my employment with the Company.

(e) “Protected Employee” means an employee of the Company who is employed by the Company at the time of any solicitation or attempted solicitation by me.

(f) "Restricted Competitors" means the companies and/or organizations listed on the document entitled "List Of Restricted Competitors" provided to me separately by the Company, and incorporated herein by reference.

(g) "Restricted Period" means during my employment with UPS and for a period of two (2) years after my employment ends for any reason.

(h) "Separation Pay" for purposes of this Agreement means (i) an amount equal to two (2) years of my monthly base salary in effect at the time of my termination of employment, to be paid in accordance with the Company's normal payroll practices, less all applicable federal, state and local taxes and other required withholdings. I understand and agree, however, that the Company shall only be required to continue to pay me the monthly salary portion of my Separation Pay, subject to all applicable tax withholdings, until the earlier of (A) twenty-four (24) months following the termination of my employment, or (B) I accept a position (whether as an employee or otherwise) with another entity, or (C) I become qualified for disability payments. I further understand that I will not be eligible to continue to accrue additional benefits and/or additional vesting rights while receiving Separation Pay outside of those provided by the plan documents governing such benefits or the Offer Letter.

(i) "Trade Secret" means all of the Company's information that I learned about as a result of my employment, without regard to form, including, but not limited to, technical or nontechnical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, product plans, distribution lists or a list of actual or potential customers, advertisers or suppliers, that (i) derives economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use; and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. This definition shall not limit any definition of "trade secrets" or any equivalent term under applicable law.

### 3. NON-DISCLOSURE AND PROHIBITION AGAINST USE OF CONFIDENTIAL INFORMATION AND TRADE SECRETS.

I agree that I will not, directly or indirectly, reveal, divulge, or disclose any Confidential Information or Trade Secrets to any Person not expressly authorized by the Company to receive such information. I further agree that I will not, directly or indirectly, use or make use of any Confidential Information or Trade Secrets in connection with any business activity other than business activity that I am pursuing on behalf of the Company. I acknowledge

and agree that this Agreement is not intended to, and does not, alter either the Company's rights or my obligations under any state or federal statutory or common law regarding trade secrets and unfair trade practices. I also understand that nothing contained in this Agreement limits my ability to communicate with any federal, state or local governmental agency or commission ("Government Agencies") or otherwise participate in any investigation or proceeding that may be conducted by any Government Agencies in connection with any charge or complaint, whether filed by me, on my behalf, or by any other individual. I additionally understand and agree that if I make a confidential disclosure of a Company Trade Secret (as defined in 18 U.S.C. § 1839) to a government official or an attorney for the sole purpose of reporting or investigating a suspected violation of law, or in a court filing under seal, I shall not be held liable under this Agreement or under any federal or state trade secret law for such a disclosure.

### 4. NON-SOLICITATION OF PROTECTED EMPLOYEES.

During the Restricted Period, I will not, without the prior written consent of the Company, directly or indirectly, solicit or induce or attempt to solicit or induce any Protected Employee to terminate his/her employment relationship with the Company or to enter into employment with me or any other person or entity.

### 5. NON-SOLICITATION OF PROTECTED CUSTOMERS.

During the Restricted Period, I will not, without the prior written consent of the Company, directly or indirectly, solicit, divert, take away or attempt to solicit, divert or take away a Protected Customer for purposes of providing products and services that are competitive with those provided by the Company.

### 6. COVENANT NOT TO COMPETE.

During the Restricted Period, I will not, without the prior written consent of the Company, (a) work for a Restricted Competitor; (b) provide advice or consulting services to a Restricted Competitor; or (c) otherwise provide services to a Restricted Competitor that are similar to those services that I provided to the Company and that are competitive with the transportation, delivery or logistics services provided by the Company during my employment. I understand and agree that this non-compete provision is limited to the geographic area where the Company did business during my employment.

### 7. ENFORCEMENT OF PROTECTIVE COVENANTS.

I acknowledge and agree that the covenants in Paragraphs 3-6 ("Protective Covenants") are necessary to protect the Company's legitimate business interests. In the event that I breach, or threaten to breach, the Protective Covenants, I agree that the Company shall have the right and remedy to: (a) enjoin me, preliminarily and permanently (without the necessity of posting bond), from violating or threatening to violate the Protective Covenants because any breach or threatened breach of the Protective Covenants would cause irreparable injury to the Company and that money damages would not provide an adequate remedy; (b) require me to account for and pay over to the Company all compensation, profits, monies, or other benefits derived or received by me as the result of any breach of the Protective Covenants; and (c) require me to pay the reasonable attorneys' fees and costs incurred by the Company in enforcing the Protective Covenants.

### 8. SEVERABILITY / REFORMATION.

I acknowledge and agree that the Protective Covenants are reasonable in time, scope and all other respects and that they will be considered and construed as separate and independent covenants. Should any part or provision of any of the Protective Covenants be held invalid, void or unenforceable in any court of competent jurisdiction, I understand and agree that such invalidity, voidness or unenforceability does not invalidate, void or otherwise render unenforceable any other part or provision of this Agreement. I further agree that, in the event any court of competent jurisdiction finds any of the Protective Covenants to be invalid or unenforceable (in whole or in part), the invalid or unreasonable term must be modified or redefined, or a new enforceable term provided, so that the Protective Covenants are enforceable to the fullest extent permitted by law.

### 9. TOLLING DURING LITIGATION.

I understand and agree that if I violate any of the Protective Covenants, the period of restriction applicable to each obligation violated will not run during any litigation over such violation, provided that such litigation was initiated during the period of the restriction.

### 10. RETURN OF MATERIALS.

Immediately following the termination of my employment for any reason or upon request from the Company at any other time, I agree to return all materials, documents, and/or information in my possession or control relating to the Company without retaining any copies in either electronic or hard copy form. I also agree that following my termination for any reason, or upon request from the Company, I will return all materials, documents, and/or information that I received or created in connection with my work as a Key Employee, including but not limited to Confidential Information and Trade Secrets. Such documents, materials and information shall include, without limitation, documents, materials, equipment, keys, credit cards, financial information, correspondence, computer equipment and data, and other documents and things belonging to the Company, including but not limited to Confidential Information and Trade Secrets.

11. AMENDMENT / ASSIGNMENT.

I understand and agree that this Agreement cannot be amended or modified unless such amendment or modification is made in writing and signed by me and a duly authorized representative of the Company. I recognize that this Agreement is for personal services to be performed by me and, as a result, may not be assigned by me to any other Person. I further understand that the Company may assign this Agreement as required by the needs of the business.

12. GOVERNING LAW AND JURISDICTION.

I agree that, without regard to conflict of laws principles, the laws of the state of Georgia govern this Agreement in all respects. I further agree that the federal or state courts of Georgia have exclusive jurisdiction over any dispute relating to this Agreement and I specifically consent to personal jurisdiction in such courts, even if I no longer reside in Georgia at the time of any dispute arising out of or involving this Agreement.

13. WAIVER.

I acknowledge that any waiver by the Company of any breach of this Agreement by me shall not be effective unless confirmed in writing, and that no such waiver shall operate or be construed as a waiver of the same breach or another breach on a subsequent occasion.

14. AT-WILL EMPLOYMENT.

I understand that this Agreement does not create a contract of employment and that my employment relationship with the Company remains at-will.

15. DISCLOSURE OF AGREEMENT.

In the event that I leave the Company for any reason, I agree to disclose the existence and terms of this Agreement to any prospective employer, partner, co-venturer, investor or lender prior to entering into an employment, partnership or other business relationship with such prospective employer, partner, co-venturer, investor or lender.

16. ENTIRE AGREEMENT.

This Agreement shall be construed as a whole according to its fair meaning. It shall not be construed strictly for or against me or the Company. There have been no offers or inducements regarding the making of this Agreement except as set out herein and the Offer Letter. This Agreement and the Offer Letter constitutes the entire agreement and understanding between me and the Company relating to the subjects described in this Agreement. For the sake of clarity, the document entitled "List Of Restricted Competitors" referenced above in Paragraph 2.(f) is incorporated herein by reference.

17. Counterparts. This Agreement may be executed in any number of counterparts, each of which will be deemed an original, and all of which together will constitute the same instrument. The exchange of a fully executed Agreement (in counterparts or otherwise) by electronic transmission in .PDF format or by facsimile shall be sufficient to bind the parties to the terms and conditions of this Agreement. A facsimile or scanned (e.g., .PDF, .GIF, etc.) signature shall be deemed to be an original.

Executed this 11th day of March, 2020  
/s/ Carol B. Tomé

\_\_\_\_\_  
Carol B. Tomé

Executed this 11th day of March, 2020  
/s/ Norman M. Brothers, Jr.

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UNITED PARCEL SERVICE, INC.

By: Norman M. Brothers, Jr.

## TRANSITION AGREEMENT

This Transition Agreement (the “Agreement”) is entered into by and between David Abney (“Executive”) and United Parcel Service, Inc. (“UPS” or the “Company”). Executive and UPS are collectively referred to herein as the “Parties.”

WHEREAS, Executive has notified the Company of his intention to retire from the Company; and

WHEREAS, Executive and the Company wish to memorialize in writing the terms upon which Executive shall provide transition services to the Company prior to retirement.

THEREFORE, Executive and the Company agree as follows:

1. **Date of Retirement.** Executive’s employment with the Company and all affiliated companies shall end effective as of December 31, 2020 (the “Retirement Date”), unless sooner terminated as provided herein. The end of Executive’s employment shall constitute a “separation from service” as defined in Section 409A of the Internal Revenue Code of 1986, as amended, and the official guidance thereunder (“Section 409A”) as of the Retirement Date.

2. **Transitional Employment Period.** In exchange for Executive’s execution and non-revocation of this Agreement, and Executive’s compliance with its terms and conditions, the Company agrees to the following:

a. To continue to employ Executive as the Company’s Chief Executive Officer until June 1, 2020, as the Company’s Executive Chairman of the Board of Directors from June 1, 2020 through September 30, 2020, and as a special consultant to the Chief Executive Officer from September 30, 2020 through the Retirement Date. During the period from the Effective Date (as defined in Section 7(c) below) to the Retirement Date (the “Employment Term”), Executive’s employment shall remain “at-will,” subject to the terms of this Agreement.

b. During the Employment Term, Executive will continue to receive his base salary in effect immediately prior to the Effective Date (plus any merit increase approved by the Compensation Committee of the Board of Directors), as may be payable in accordance with the Company’s customary payroll practices. All compensation paid to Executive, whether pursuant to this paragraph or otherwise, shall be subject to applicable tax withholdings and payroll deductions. Executive acknowledges and agrees that he shall not be entitled to any bonus or other compensation with respect to any period after the Employment Term except as described herein, and Executive hereby waives any and all rights to any such additional bonus or other compensation. In the event that the Board of Directors terminates Executive’s employment without Cause (as defined in Section 2(e) below) prior to the Retirement Date, then provided that Executive timely signs and does not revoke the separation waiver and release appended to this Agreement as Attachment 1 (the “Separation Waiver and Release”), Executive will be entitled to (i) an amount equivalent to the base salary he would have received had he remained employed with the Company through the Retirement Date and (ii) the Transition Awards described in Section 5 of this Agreement. If the Separation Waiver and Release does not become effective and non-revocable by the twentieth eighth (28th) day following the Retirement Date, Executive shall forfeit any right to the Transition Award. Notwithstanding any provision herein to the contrary, in the event Executive resigns for any reason prior the Retirement Date, Executive shall forfeit any right to receive the Transition Awards described in Section 5 below.

c. Executive’s outstanding incentive awards (“Existing Award”) shall continue to vest in accordance with the terms of the applicable incentive plan document and any applicable equity grant agreement(s). Except for Existing Awards and awards granted hereunder, Executive waives any and all rights to any additional incentive awards that may be granted to employees of the Company.

d. Except as otherwise provided herein, during the period of Executive’s continued employment with the Company, Executive will continue to be entitled to participate in Company employee benefit plans in accordance with the terms thereof as in effect from time to time. All compensation paid to Executive, whether pursuant to this paragraph or otherwise, shall be subject to applicable tax withholdings and payroll deductions.

e. For purposes of this Agreement, “Cause” means a termination of Executive’s employment by the Company due to one or more of the following: (i) the commission of any felony or commission of a misdemeanor involving theft or moral turpitude; (ii) the commission of any act or omission that constitutes

neglect or misconduct with respect to Executive’s employment duties that results in economic harm to the Company; (iii) the violation of any of the Company’s substance abuse, compliance or any other policies that may be applicable to Executive and that may be in effect at the time of the occurrence; and (iv) the breach of any material provision of this Agreement, any other agreements, or understanding in effect at the time of the breach, between Executive and the Company.

3. **Continuing Performance.** Executive shall devote substantially all of Executive’s professional time and attention during usual business hours to the performance of his Chief Executive Officer duties for the Company until June 1, 2020. Thereafter, Executive shall perform such duties as may be specifically requested by the Board of Directors until September 30, 2020. Thereafter, Executive will make himself available as needed for consultation with the Chief Executive Officer until the Retirement Date. Executive acknowledges that December 31, 2020 will be his last day of employment by the Company.

4. **Executive Benefits Upon Separation.** Executive shall be entitled to the following employee benefits upon separation of employment regardless of whether Executive signs this Agreement:

a. **Group Health Insurance Coverage.** Upon Executive’s separation from employment with the Company, in accordance with the terms of the applicable plans, Executive may elect to continue group health insurance coverage(s) at Executive’s own expense pursuant to COBRA and in accordance with the group health insurance plan. Additional information about continuation coverage under COBRA will be provided to Executive separately.

b. **Incentive Compensation.** The term of exercise and other conditions of any stock options, restricted stock units, or other forms of incentive compensation previously issued to Executive by the Company shall be governed by the terms of the applicable incentive plan document and any applicable incentive grant agreement(s). The conditions of any bonus program in which Executive is a participant as of the Effective Date shall be governed by the terms of the applicable bonus program.

c. **Qualified Retirement Plan.** Executive shall be eligible for distribution of any vested account balance under any qualified retirement plan (such as a 401(k) plan) sponsored by the Company, pursuant to the terms and conditions of such plan documents.

d. **Indemnification Right.** The Company shall indemnify Executive and hold him harmless for acts or decisions made by him in good faith while performing services for the Company to the extent provided by its organizational and governance documents and law, including any rights to insurance benefits under any Directors & Officers liability insurance policy maintained by the Company.

e. **Business Expenses.** Executive shall have a right to be reimbursed for Executive's reasonable and appropriate business expenses which Executive actually incurs in connection with the performance of Executive's duties and responsibilities under this Agreement in accordance with the Company's expense reimbursement policies and procedures for senior executives.

f. **Other benefits.** Except as otherwise expressly stated herein or as otherwise required by law, as of the Retirement Date Executive shall cease to participate in all employee benefits, plans, policies and practices provided by the Company.

5. **Transition Awards.** In exchange for Executive's agreement to continue employment with the Company through the Retirement Date under the terms of this Agreement, timely execution and non-revocation of this Agreement, and execution and non-revocation of the Separation Waiver and Release following the end of the Employment Term, Executive shall be entitled to his base salary described above, a 2020 Management Incentive Plan ("MIP") target award of 165% of base salary, subject to the terms and conditions of the MIP program, and a 2020 Long-Term Incentive Performance ("LTIP") program target award at 300% of base salary, subject to the terms and conditions of the LTIP program (the "**Transition Awards**"). Other than the Transition Awards and other benefits and payments specified in this Agreement, the Company shall have no obligation to pay Executive any further compensation or remuneration, including but not limited to base salary, commissions, or bonuses.

6. **Continuing Duties.**

a. **Post-Retirement Transition.** During the one-month period following the Retirement Date, and from time to time after that as may be necessary, Executive agrees to cooperate in good faith with the Company regarding reasonable transitional assistance that may be requested by the Company, including but not limited to (i)

answering questions about matters relating to the business of the Company or its affiliates as to which Executive has knowledge, and (ii) forwarding to an appropriate person designated by the Company any email, voicemail message or other communication received by Executive after the Retirement Date that relates to the Company, its affiliates, or their respective businesses. The Company agrees to make reasonable efforts to minimize the burden on Executive with regard to the foregoing transitional activities, including scheduling telephone calls and meetings at times and locations that are reasonably convenient for Executive.

b. **Cooperation.** As further consideration for the covenants set forth herein, Executive hereby agrees to reasonably cooperate in good faith with any lawyer, law firm, or consultant that the Company designates with respect to any litigation, deposition, hearing, arbitration, inquiry, investigation or other proceeding, in any jurisdiction arising out of or relating to matters of which Executive was involved prior to the Retirement Date with the Company or which Executive gained knowledge of during his employment with the Company (including, but not limited to, support of the Company's, or that of any of its affiliates', position in defending any general liability-related lawsuits, employment-related lawsuits or claims concerning which Executive has knowledge, or audits, investigations, lawsuits, complaints or proceedings by government entities of state or federal law compliance) where the legal or financial interests of the Company or any of its affiliates are at material issue. Executive further covenants that, except with respect to an investigation or proceeding conducted by a governmental entity or where prohibited by law, Executive will (i) contact the Company as soon as reasonably practicable, but in no event longer than seventy two (72) hours, in the event that Executive is served with or notified of any subpoena, notice or other instruction directing Executive to appear, or produce documents or other information, in any legal proceeding involving the Company or any of its affiliates, and (ii) will make no such appearance or disclosure, unless required by law, until the Company has had a reasonable opportunity to contest the right of the requesting person or entity to such appearance or disclosure. The Company shall timely reimburse Executive for reasonable travel expenses and other reasonable out-of-pocket expenses associated with Executive's compliance with the obligations in this **Section 6**. The Company will exercise its rights in good faith under this **Section 6** so as not to unreasonably interfere with Executive's professional activities.

7. **Release by Executive.**

a. In consideration of Executive's continued employment with the Company, the adequacy of which is hereby acknowledged, Executive hereby fully and completely releases, acquits and forever discharges the Company, its affiliates and related entities, and each of their respective current and former officers, directors, shareholders, managers, members, partners, employees, agents, employee benefit plans and fiduciaries, insurers, attorneys, agents, trustees, professional employer organizations, successors and assigns (each a "**Released Party**," and collectively, the "**Released Parties**"), collectively, separately, and severally, of and from any and all claims, demands, damages, causes of action, debts, liabilities, controversies, judgments, and suits of every kind and nature whatsoever, known or unknown, which Executive has had, now has, or may have against the Released Parties (or any of them) from the beginning of time through the date Executive signs this Agreement, with the exception of any claims that cannot legally be waived by private agreement (the claims released in this Agreement are collectively referred to as the "**Released Claims**"). The Released Claims include: (i) all claims arising under any federal, state or local statute or ordinance, constitutional provision, public policy or common law, including all claims under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967 (the "**ADEA**"), the Equal Pay Act, the Civil Rights Act of 1866, the Employee Retirement Income Security Act, COBRA, the Americans with Disabilities Act, the Family and Medical Leave Act, the Worker Adjustment and Retraining Notification Act, the Georgia Equal Pay Act, the Georgia Prohibition of Age Discrimination in Employment Act, and the Georgia Equal Employment for People with Disabilities Code, all as amended; (ii) all claims arising under discrimination laws, whistleblower laws and laws relating to violation of public policy, retaliation, or interference with legal rights; (iii) all claims for compensation of any type whatsoever, including but not limited to claims for wages, bonuses, commissions, incentive compensation, equity, vacation, PTO and severance; (iv) all claims arising under tort, contract and/or quasi-contract law; (v) all claims for monetary or equitable relief, including but not limited to attorneys' fees, back pay, front pay, reinstatement, experts' fees, medical fees or expenses, costs and disbursements; and (vi) all claims, counterclaims, demands, debts, actions, causes of action, suits, expenses, costs, attorneys' fees, accountants' fees, damages, indemnities, obligations and/or liabilities of any nature whatsoever, whether known or unknown, in law or in equity, which are related to, or directly or indirectly arise from, the assessment against, or any other application or possible application to, Executive of any penalties or additional tax under Section 409A, related in any way to the payments and benefits provided herein. Executive hereby waives any right to seek or recover any individual relief (including any money damages, reinstatement, or other relief) in connection with any of the

Released Claims through any charge, complaint, lawsuit, or other proceeding, whether commenced or maintained by Executive or by any other person or entity, with the exception of any right to seek an award pursuant to Section 21F of the Securities Exchange Act of 1934.

b. **Release of ADEA Claims.** The Released Claims include any claims Executive may have against any of the Released Parties under the ADEA. Executive has twenty one (21) calendar days to consider this Agreement and decide whether to sign it (the "**Consideration Period**"). If Executive decides to sign this Agreement before the expiration of the Consideration Period, which is solely Executive's choice, Executive represents that his decision is knowing and voluntary. Executive agrees that any revisions made to this Agreement after it was initially delivered to Executive, whether material or immaterial, do not restart the Consideration Period. Company advises Executive to consult with an attorney prior to signing this Agreement.

c. **Right to Revoke.** Executive may revoke this Agreement within seven (7) calendar days after Executive has signed it. This Agreement will not become effective or enforceable until the eighth (8th) calendar day after Executive has signed this Agreement without having revoked it (the "**Effective Date**"). If Executive chooses to revoke this Agreement, Executive must notify the Company in writing addressed to the Company's designated agent for this purpose:

Norman M. Brothers Jr.  
Senior Vice President, General Counsel  
and Corporate Secretary  
UPS 55 Glenlake Parkway NE  
Atlanta, Georgia 30328

Any such notice of revocation must be delivered to the Company at the foregoing address in a manner calculated to ensure receipt prior to 11:59 p.m. on the day prior to the Effective Date. If Executive revokes this Agreement, Executive will not be entitled to the benefits provided herein.

d. Unknown Claims. Executive understands that the Released Claims may be known or unknown to him at the time of his execution of this Agreement. It is Executive's knowing and voluntary intent, even though he recognizes that someday he might learn that some or all of the facts he currently believes to be true are untrue and even though he might then regret having signed this Agreement. Nevertheless, Executive is assuming that risk and Executive agrees that this Agreement shall remain effective in all respects in any such case. Executive expressly waives all rights he might have under any law that is intended to protect Executive from waiving unknown claims. Executive understands the significance of doing so.

e. Claims Not Released. Executive understands and agrees that this Section 7 does not release any claims that the law does not permit Executive to release. Executive further understands and agrees that he is not releasing any claim that relates to: (i) his right to enforce this Agreement; (ii) his right, if any, to claim government-provided unemployment benefits; or (iii) any rights or claims which may arise or accrue after Executive signs this Agreement.

f. Covenant Not to Sue. Except as otherwise provided in Section 10 below, Executive promises that he will not file, instigate or participate in any proceeding against any of the Released Parties relating to any of the Released Claims. In the event Executive breaches the covenant contained in this Section 7(f), Executive agrees to indemnify the Released Parties for all damages and expenses, including attorneys' fees, incurred by any Released Parties in defending, participating in or investigating any matter or proceeding covered by this Section 7(f).

#### 8. Representations by Executive.

a. Executive represents and warrants to the Released Parties that Executive has read this Agreement and fully understands the effect hereof, that Executive executes this Agreement of Executive's own free will and accord for the consideration set forth herein, and that Executive is not relying on any representations whatsoever of the Company, other than those set forth herein, as an inducement to enter into this Agreement.

b. Executive further represents and warrants to the Released Parties that no litigation or other proceeding has been filed or is pending by the Executive against the Released Parties; that no person or entity other than Executive has or has had any interest in the matters released herein; that Executive has the sole right, capacity, and exclusive authority to execute this Agreement; that Executive has not sold, assigned, transferred, conveyed or otherwise disposed of any of the claims, demands, obligations, or causes of action released herein; and that no child support order, garnishment orders, or other orders requiring Executive to pay money to any other person are now in effect.

c. Executive represents and warrants to the Released Parties that Executive has not suffered any discrimination on account of his age, sex, race, national origin, marital status, sexual orientation, or any other protected status, and none of these ever has been an adverse factor used against Executive by any Released Party. Executive has not suffered any job-related wrongs or injuries for which he might still be entitled to compensation or relief, such as an injury for which Executive might receive a workers' compensation award in the future. Executive has properly reported all hours that he has worked and has already been paid all wages, overtime, commissions, compensation, benefits, and other amounts that the Company or any Released Party has ever owed him, except for unpaid amounts or benefits expressly payable under the terms of this Agreement. To the best of Executive's knowledge, all of the factual allegations he made that induced the Company to enter into this Agreement are true in all material respects.

#### 9. Restrictive Covenants.

##### a. Acknowledgments.

i. Key Employee. Executive acknowledges and agrees that, by reason of his highly specialized skillset and the Company's investment of time, training, money, trust, and exposure to Confidential Information, Executive is intimately involved in the planning and direction of the Company's global business operations.

ii. Consideration. Executive acknowledges and agrees that his execution of and compliance with this Agreement are material factors in the Company's decision to continue Executive's employment and to provide Executive with the associated compensation and benefits, as well as access to Confidential Information that is not provided to other employees of the Company, which constitutes good and valuable consideration for the covenants set forth in this Agreement.

iii. Potential Unfair Competition. Executive acknowledges and agrees that, as a result of his receipt of Confidential Information, his role at UPS, and his relationships with UPS customers and employees, Executive would have an unfair competitive advantage if Executive were to violate this Agreement.

iv. No Undue Hardship. Executive acknowledges and agrees that, in the event that his employment with the Company terminates for any reason, Executive possesses marketable skills and abilities that will enable him to find suitable employment without violating the covenants set forth in this Agreement.

v. Voluntary Execution. Executive acknowledges and affirms that Executive is executing this Agreement voluntarily, that Executive has read this Agreement carefully, that Executive has had a full and reasonable opportunity to consider this Agreement (including an opportunity to consult with legal counsel), and that Executive has not been pressured or in any way coerced, threatened or intimidated into signing this Agreement.

##### b. Definitions.

i. "Company" means United Parcel Service, Inc., a Delaware Corporation with its principal place of business in Atlanta, Georgia, and all of its Affiliates (as defined in O.C.G.A. § 13-8-51(1)).

ii. "Confidential Information" means all information regarding the Company, its activities, businesses or customers which Executive learned as a result of his employment, that is valuable to the Company and that is not generally disclosed by practice or authority to persons not employed or otherwise engaged by the Company, but that does not rise to the level of a Trade Secret. "Confidential Information" shall include, but is not limited to, financial plans and data; legal affairs; management planning information; business plans; acquisition plans; operational methods and technology; market studies; marketing plans or strategies; product development techniques or plans; customer lists; details of customer contracts; current and anticipated customer requirements and specifications; customer pricing and profitability data; past, current and planned research and development; employee-related information and new personnel acquisition plans. "Confidential Information" shall not include information that is or becomes generally available to the public by the act of one who has the right to disclose such information without violating any right or privilege of the Company. However, although certain information may be generally known in the relevant industry, the fact that the Company uses such information may not be so known and in such instance the

information would compromise Confidential Information. This definition shall not limit any definition of "confidential information" or any equivalent term under applicable state or federal law.

iii. "Protected Customers" means customers or actively sought potential customers with whom Executive had material contact, which shall include customers or actively sought potential customers (A) who Executive dealt with on behalf of the Company; (B) whose dealings with the Company are or were coordinated or supervised by Executive; or (C) about whom Executive obtained Confidential Information as a result of his employment with the Company.

iv. **“Protected Employee”** means any person who was employed with the Company on, or within six (6) months before, the date of any solicitation or attempted solicitation by Executive.

v. **“Restricted Competitors”** means the companies and/or organizations, and any of their affiliates and related entities, listed on the document entitled “List of Restricted Competitors” provided to Executive separately by the Company, and hereby incorporated fully herein by this reference.

vi. **“Restricted Period”** means during Executive’s employment with UPS and for a period of two (2) years after his employment ends for any reason.

vii. **“Trade Secret”** means all of the Company’s information that Executive learned about as a result of his employment, without regard to form, including, but not limited to, technical or nontechnical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, product plans, distribution lists or a list of actual or potential customers, advertisers or suppliers, that (A) derives economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use; and (B) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy. This definition shall not limit any definition of “trade secrets” or any equivalent term under applicable law.

c. **Non-Disclosure and Prohibition Against Use of Confidential Information.** Except as otherwise provided in Section 10 below, Executive agrees that Executive will not, directly or indirectly, reveal, divulge, or disclose any Confidential Information or Trade Secrets to any person or entity not expressly authorized by the Company to receive such information. Executive further agrees that Executive will not, directly or indirectly, use or make use of any Confidential Information or Trade Secrets in connection with any business activity other than business activities that Executive pursues on behalf of the Company. Executive acknowledges and agrees that this Agreement is not intended to, and does not, alter either the Company’s rights or his obligations under any state or federal statutory or common law regarding trade secrets and unfair trade practices. Executive’s obligations as set forth in this Agreement are in addition to any other obligations Executive may have to protect Confidential Information and Trade Secrets, and such obligations will continue for so long as the information in question continues to constitute Confidential Information or Trade Secrets.

d. **Non-Solicitation of Protected Employees.** During the Restricted Period, Executive will not, without the prior written consent of the Company, directly or indirectly, solicit or induce or attempt to solicit or induce any Protected Employee to terminate his/her employment relationship with the Company or to enter into employment with Executive or any other person or entity.

e. **Non-Solicitation of Protected Customers.** During the Restricted Period, Executive will not, without the prior written consent of the Company, directly or indirectly, solicit, divert, take away or attempt to solicit, divert or take away a Protected Customer for purposes of providing products and services that are competitive with those provided by the Company.

f. **Covenant Not to Compete.** During the Restricted Period, Executive will not, without the prior written consent of the Company, (i) work for a Restricted Competitor; ii) provide advice or consulting services to a Restricted Competitor; or (iii) otherwise provide services to a Restricted Competitor that are similar to those services that Executive provided to the Company and that are competitive with the transportation, delivery or logistics services provided by the Company during his employment. Executive understands and agrees that this non-compete provision is limited to the geographic area where the Company did business during his employment.

g. **Non-Disparagement.** Except as otherwise provided in Section 10 below, Executive will not make any statements that are derogatory or disparaging towards any of the Released Parties. In addition, the Company agrees to instruct the members of the Board of Directors and its named executive officers as of the date hereof not to make any statements that are derogatory or disparaging towards Executive. For the purposes of this

Agreement, the term “disparage” includes, without limitation, comments or statements made in any manner or medium (including, without limitation, to the press and/or media, the Released Parties or any individual or entity) or Executive which would adversely affect in any manner (i) the conduct of the business of any of the Released Parties (including, without limitation, any Released Party’s business plans or prospects) or (ii) the business reputation of any Released Party or Executive.

h. **Severability/Reformation.** Executive acknowledges and agrees that the protective covenants in this Section 9 are reasonable in time, scope and all other respects and that they will be considered and construed as separate and independent covenants. Should any part or provision of any of the protective covenants in this Section 9 be held invalid, void or unenforceable in any court of competent jurisdiction, Executive understands and agrees that such invalidity, voidness or unenforceability does not invalidate, void or otherwise render unenforceable any other part or provision of this Agreement. Executive further agrees that, in the event any court of competent jurisdiction finds any of the protective covenants in this Section 9 to be invalid or unenforceable (in whole or in part), the invalid or unreasonable term must be modified or redefined, or a new enforceable term provided, so that the protective covenants in this Section 9 are enforceable to the fullest extent permitted by law.

i. **Tolling During Litigation.** Executive understands and agrees that if Executive violates any of the protective covenants in this Section 9, the period of restriction applicable to each obligation violated will not run during any litigation over such violation, provided that such litigation was initiated during the period of the restriction.

j. **Remedies.** The parties acknowledge that the restrictions contained in this Section 9 are reasonable and appropriate for the protection of the Company’s legitimate business interests, and that they will not unduly impair Executive’s ability to find other employment. Executive acknowledges and agrees that, in the event of a violation of one or more of Executive’s covenants in this Section 9, in addition to and not in lieu of any other remedy to which the Company may be entitled, the Company shall be permitted to seek and obtain immediate injunctive relief, restraining further breach by Executive, in a court of competent jurisdiction, and without the necessity for posting of a bond or other security. In addition to and not in lieu of any other remedy to which the Company may be entitled, no further payments or benefits of any kind that would otherwise inure to Executive pursuant to Section 5 of this Agreement shall accrue or be owed, and all future payments and benefits hereunder shall be forfeited, immediately upon Executive’s breach of any of the covenants in this Section 9.

10. **Permitted Disclosures.** Nothing contained in this Agreement limits Executive’s ability to file a charge or complaint with the Equal Employment Opportunity Commission or any other federal, state or local governmental agency or commission (collectively, “Government Agencies”), or prevents Executive from providing truthful testimony in response to a lawfully issued subpoena or court order. Further, this Agreement does not limit Executive’s ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company. Executive is hereby notified that under the Defend Trade Secrets Act: (a) no individual will be held criminally or civilly liable under federal or state trade secret law for disclosure of a trade secret (as defined in the Economic Espionage Act) that is: (i) made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and made solely for the purpose of reporting or investigating a suspected violation of law; or (ii) made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal so that it is not made public; and (b) an individual who pursues a lawsuit for retaliation by an employer for reporting a suspected violation of the law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal, and does not disclose the trade secret, except as permitted by court order.

11. **Return of Materials.** Immediately following the termination of Executive’s employment for any reason or upon request from the Company at any other time, Executive agrees to return all materials, documents, and information in his possession or control relating to the Company without retaining any copies in either electronic or hard copy form. Executive also agrees that following his termination for any reason, or upon request from the Company, Executive will return all materials, documents, and information that Executive received or created in connection with his work as an employee of the Company, including but not limited to Confidential Information and Trade Secrets. Such documents, materials and information shall

include, without limitation, documents, materials, equipment, keys, credit cards, financial information, correspondence, computer equipment and data, and other

documents and things belonging to the Company, including but not limited to Confidential Information and Trade Secrets.

12. **No Admission of Liability.** Executive agrees not to assert that this Agreement is an admission of guilt or wrongdoing by the Company or any Released Party, and Executive acknowledges that the Company and the Released Parties deny that they have engaged in wrongdoing of any kind or nature.

13. **Age Representation.** Executive is over age (40) forty at the time of signing this Agreement.

14. **Taxation and Withholding; 409A Compliance.**

a. Executive acknowledges that payments and benefits hereunder may be taxable and that the Company makes no representation or warranty regarding the income tax effects of any payment or benefit provided hereunder. Executive shall be solely responsible for any tax liability with respect to all payments and benefits provided under this Agreement. The Company may withhold from any amounts payable under this Agreement such federal, state or local taxes as shall be required to be withheld pursuant to any applicable law or regulation.

b. If a payment date that complies with Section 409A is not otherwise provided herein for any payment (in cash or in-kind) or reimbursement that would otherwise constitute "deferred compensation" under Section 409A, then such payment or reimbursement, to the extent such payment or reimbursement becomes due hereunder, shall in all events be made not later than two and one half (2½) months after the end of the later of the fiscal year or the calendar year in which the payment or reimbursement is no longer subject to a substantial risk of forfeiture.

c. It is the intention of both Executive and the Company that the benefits and rights to which Executive is entitled pursuant to this Agreement are exempt from or comply with Section 409A, to the extent that the requirements of Section 409A are applicable thereto, and the provisions of this Agreement shall be construed in a manner consistent with that intention. If Executive or the Company believe, at any time, that any such benefit or right that is subject to Section 409A does not so comply, Executive or the Company shall promptly advise the other and shall negotiate reasonably and in good faith to amend the terms of such benefits and rights such that they comply with Section 409A (with the most limited possible economic effect on Executive and the Company).

d. Notwithstanding any time of payment otherwise designated in this Agreement, if on the Retirement Date Executive is a "specified employee" within the meaning of Section 409A, any amounts payable to Executive by reason of Executive's "separation from service" with the Company will not be paid to Executive until the date that is six (6) months and one (1) day following Executive's separation from service to the extent required by Section 409A.

15. **Severability.** In the event any portion or clause of this Agreement is deemed invalid or unenforceable in a court of law, the remainder of the Agreement shall be severed from the invalid or unenforceable portion.

16. **Entire Agreement.** Except as otherwise expressly provided in this Agreement, any prior agreement (whether written or oral) between the parties with respect to the subject matter of this Agreement is null and void, as this Agreement expresses the entire agreement of the parties with respect to its subject matter. This Agreement may only be modified in writing signed by both Parties.

17. **Assignment.** This Agreement shall accrue to the benefit of the Company and its successors and assigns, and shall be freely assignable to any entity with which the Company may merge or otherwise combine, or to which the Company may transfer substantial assets. This Agreement is personal to Executive and may not be assigned by Executive.

18. **Governing Law.** This Agreement shall be construed in accordance with, and governed by, the laws of the State of Georgia.

19. **Interpretation.** This Agreement shall be construed as a whole according to its fair meaning. It shall not be construed strictly for or against Executive or any Released Party. Unless the context indicates otherwise, the singular or plural number shall be deemed to include the other. Captions are intended solely for convenience of reference and shall not be used in the interpretation of this Agreement.

20. **Counterparts.** This Agreement may be executed in counterparts, including those transmitted by electronic means, each of which shall be deemed an original and all of which taken together shall constitute one and the same document.

21. **Further Pursuit of Claims Under Company EDR Program.** Executive understands that by signing this Agreement Executive is waiving any rights pursuant to the Company's Employee Dispute Resolution Program ("EDR") to challenge or seek reconsideration of any employment action occurring prior to the date Executive executes this Agreement or to seek reconsideration of the terms of this Agreement.

22. **Public Announcements.** Except as may be required by applicable laws or regulations, the Parties will consult with each other prior to issuing any press release or otherwise making any public announcement or statement with respect to this Agreement or the transactions contemplated hereby, and neither the Company nor Executive shall issue any press release or make any other public announcement or statement to any third party regarding this Agreement or the transactions contemplated hereby (including the existence hereof), in each case without the prior written approval of the other Party hereto, which approval shall not be unreasonably withheld or delayed.

23. **Survival of Obligations.** Notwithstanding any provision herein to the contrary, Sections 9, 10, and 11 of this Agreement shall survive any termination of Executive's employment with the Company and continue in full force and effect.

24. **Authorizations.** The Parties hereby represent and warrant that it or he (as applicable) has the power and authority to execute, deliver and perform this Agreement, that this Agreement has been duly authorized by all necessary corporate action on the part of such Party, that this Agreement constitutes a legal, valid and binding obligation of each such Party and that the execution, delivery and performance of this Agreement by such Party does not contravene or conflict with any provision of law or of its charter or bylaws or any material agreement, instrument or order binding on such Party.

[Signature Page Follows]



[Signature Page to Transition Agreement]

IN WITNESS WHEREOF, the Parties have executed this Agreement effective on the Effective Date.

United Parcel Service, Inc.

By: /s/ Norman M. Brothers, Jr.

Norman M. Brothers, Jr.

Title: Senior Vice President, General Counsel and Corporate Secretary

Date: March 11, 2020

/s/ David P. Abney

David P. Abney

Date: March 11, 2020

**ATTACHMENT 1  
SEPARATION WAIVER AND RELEASE**

This Separation Waiver and Release (this “Release”) is provided by, David Abney (“Executive”), pursuant to the Transition Agreement, dated March 11, 2020 by and between United Parcel Service, Inc. (the “Company”) and Executive (the “Transition Agreement”). Capitalized terms used but not defined herein have the meanings assigned to them in the Transition Agreement.

1. **Conditions Precedent.** Executive acknowledges and agrees that his ongoing compliance with the terms and conditions of the Transition Agreement and this Release is a condition precedent to the Company’s obligation to provide the Transition Award.

2. **Executive Released Claims.**

a. For and in consideration of the Transition Award, the adequacy of which is hereby acknowledged, Executive hereby fully and completely releases, acquits and forever discharges the Company, its affiliates and related entities, and each of their respective current and former officers, directors, shareholders, managers, members, partners, employees, agents, employee benefit plans and fiduciaries, insurers, attorneys, agents, trustees, professional employer organizations, successors and assigns (each a “Released Party” and collectively, the “Released Parties”), collectively, separately, and severally, of and from any and all claims, demands, damages, causes of action, debts, liabilities, controversies, judgments, and suits of every kind and nature whatsoever, known or unknown, which Executive has had, now has, or may have against the Released Parties (or any of them) from the beginning of time through the date Executive signs this Release, with the exception of any claims that cannot legally be waived by private agreement (the claims released in this Release are collectively referred to as the “Released Claims”). The Released Claims include: (i) all claims arising under any federal, state or local statute or ordinance, constitutional provision, public policy or common law, including all claims under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967 (the “ADEA”), the Equal Pay Act, the Civil Rights Act of 1866, the Employee Retirement Income Security Act, COBRA, the Americans with Disabilities Act, the Family and Medical Leave Act, the Worker Adjustment and Retraining Notification Act, the Georgia Equal Pay Act, the Georgia Prohibition of Age Discrimination in Employment Act, and the Georgia Equal Employment for People with Disabilities Code, all as amended; (ii) all claims arising under discrimination laws, whistleblower laws and laws relating to violation of public policy, retaliation, or interference with legal rights; (iii) all claims for compensation of any type whatsoever, including but not limited to claims for wages, bonuses, commissions, incentive compensation, equity, vacation, PTO and severance; (iv) all claims arising under tort, contract and/or quasi-contract law; (v) all claims for monetary or equitable relief, including but not limited to attorneys’ fees, back pay, front pay, reinstatement, experts’ fees, medical fees or expenses, costs and disbursements; and (vi) all claims, counterclaims, demands, debts, actions, causes of action, suits, expenses, costs, attorneys’ fees, accountants’ fees, damages, indemnities, obligations and/or liabilities of any nature whatsoever, whether known or unknown, in law or in equity, which are related to, or directly or indirectly arise from, the assessment against, or any other application or possible application to, Executive of any penalties or additional tax under Section 409A of the Internal Revenue Code of 1986, as amended, related in any way to the payments and benefits provided herein. Executive hereby waives any right to seek or recover any individual relief (including any money damages, reinstatement, or other relief) in connection with any of the Released Claims through any charge, complaint, lawsuit, or other proceeding, whether commenced or maintained by Executive or by any other person or entity, with the exception of any right to seek an award pursuant to Section 21F of the Securities Exchange Act of 1934.

b. **Release of ADEA Claims.** The Released Claims include any claims Executive may have against any of the Released Parties under the ADEA. Executive has twenty one (21) calendar days to consider this Release and decide whether to sign it (the “Consideration Period”). If Executive decides to sign this Release before the expiration of the Consideration Period, which is solely Executive’s choice, Executive represents that his decision is knowing and voluntary. Executive agrees that any revisions made to this Release after it was initially delivered to Executive, whether material or immaterial, do not restart the Consideration Period. Company advises Executive to consult with an attorney prior to signing this Release.

c. **Right to Revoke.** Executive may revoke this Release within seven (7) calendar days after Executive has signed it. This Release will not become effective or enforceable until the eighth (8th) calendar day after Executive has signed this Release without having revoked it (the “Effective Date”). If Executive chooses to revoke this Release, Executive must notify the Company in writing addressed to the Company’s designated agent for this purpose:

Norman M. Brothers Jr.  
Senior Vice President, General Counsel  
and Corporate Secretary  
UPS  
55 Glenlake Parkway NE  
Atlanta, Georgia 30328

Any such notice of revocation must be delivered to the Company at the foregoing address in a manner calculated to ensure receipt prior to 11:59 p.m. on the day prior to the Effective Date. If Executive revokes this Release, Executive will not be entitled to the Transition Award.

d. **Unknown Claims.** Executive understands that the Released Claims may be known or unknown to him at the time of his execution of this Release. It is Executive’s knowing and voluntary intent, even though he recognizes that someday he might learn that some or all of the facts he currently believes to be true are untrue and even though he might then regret having signed this Release. Nevertheless, Executive is assuming that risk and Executive agrees that this Release shall remain effective in all respects in any such case. Executive expressly waives all rights he might have under any law that is intended to protect Executive from waiving unknown claims. Executive understands the significance of doing so.

3. **Covenant Not to Sue.** Except as otherwise provided in Section 7 below, Executive promises that he will not file, instigate or participate in any proceeding against any of the Released Parties relating to any of the Released Claims. In the event Executive breaches the covenant contained in this Section 3, Executive agrees to indemnify the Released Parties for all damages and expenses, including attorneys’ fees, incurred by any Released Parties in defending, participating in or investigating any matter or proceeding covered by this Section 3.

4. **Excluded Claims.** The Released Claims do not release or impair (a) the Company’s promises and obligations under the Transition Agreement; (b) any rights under any grants of stock options, restricted stock, or other forms of equity that may have been provided to Executive during his employment (such grants to be governed by the applicable incentive plan and grant agreement(s) and the Transition Agreement); (c) any rights under applicable workers compensation laws; (d) any vested rights under a qualified retirement plan; (e) any other claims that cannot lawfully be released; (f) his ability to respond truthfully to a valid subpoena issued by, file a charge with, or participate in any investigation conducted by, a governmental agency; (g)

any claims arising after the date of his execution of this Release; (h) any rights to insurance benefits under any Directors & Officers liability insurance policy maintained by the Company; or (i) any right that the Executive may have to indemnification or insurance coverage under the Transition Agreement, the Company's organizational documents, or any directors and officers insurance policy.

5. **Continuing Effectiveness of Transition Agreement.** Executive acknowledges and agrees that the Transition Agreement, and specifically Sections 4(d), 6, 9, and 11 of the Transition Agreement, shall survive and continue in full force and effect following the date of termination of Executive's employment pursuant to its terms.

6. **Enforcement.** Executive acknowledges that any breach of any covenants set forth in this Release or Sections 6, 9, or 11 of the Transition Agreement would cause irreparable harm to the Company, the exact amount of which would be difficult to determine, and that the remedies at law for any such breach would be inadequate. Accordingly, Executive agrees that if he breaches or threatens to breach any of such covenants, the Company will be entitled to (a) cease or withhold payment to Executive of the Transition Award and (b) obtain specific performance and injunctive and other equitable relief, without posting bond or other security, to enforce or prevent any further violation of such covenants. In any action for injunctive relief, the prevailing party will be entitled to collect reasonable attorneys' fees and other reasonable costs from the non-prevailing party.

7. **Permitted Disclosures.** Nothing contained in this Release limits Executive's ability to file a charge or complaint with the Equal Employment Opportunity Commission or any other federal, state or local governmental agency or commission (collectively, "Government Agencies"), or prevents Executive from providing

truthful testimony in response to a lawfully issued subpoena or court order. Further, this Release does not limit Executive's ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company. Executive is hereby notified that under the Defend Trade Secrets Act: (a) no individual will be held criminally or civilly liable under federal or state trade secret law for disclosure of a trade secret (as defined in the Economic Espionage Act) that is: (i) made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and made solely for the purpose of reporting or investigating a suspected violation of law; or (ii) made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal so that it is not made public; and (b) an individual who pursues a lawsuit for retaliation by an employer for reporting a suspected violation of the law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal, and does not disclose the trade secret, except as permitted by court order.

8. **Executive's Representations.** Executive represents and warrants that (a) he has been properly paid for all hours worked and he has received all wages, bonuses, vacation pay, expense reimbursements and any other sums due from the Company; (b) he has returned all of the Company's property in his possession or control and he has permanently deleted any Confidential Information and Trade Secrets stored on any networks, computers or information storage devices that are not owned by the Company but within his possession or control; (c) he has suffered no harassment, retaliation, employment discrimination, or work-related injury or illness while employed by the Company; (d) he is not aware of any activity by the Company or any other Released Party that he believes to be unlawful or potentially unlawful; (e) he has filed no claim, charge, suit or other action or proceeding against the Company or any other Released Party; and (f) he has not sold, assigned, transferred, conveyed or otherwise disposed of any of the claims, demands, obligations, or causes of action released in this Release. By signing this Release Executive acknowledges that Executive has read this Release carefully and understands all of its terms. Further, Executive acknowledges that Executive is entering into this Release voluntarily and of his own free will. In signing this Release, Executive acknowledges that Executive has not relied on any statements or explanations made by anyone associated with or employed by the Company.

9. **Further Pursuit of Claims Under Company EDR Program.** Executive understands that by signing this Release he is waiving any rights pursuant to the Company's Employee Dispute Resolution Program ("EDR") to challenge or seek reconsideration of any employment action or to seek reconsideration of the terms of this Release.

10. **General Provisions.** The Released Parties expressly deny that they have any liability to the Executive, and this Release is not to be construed as an admission of any such liability. This Release is to be construed under the laws of the State of Georgia. This Release constitutes the entire agreement between the Executive and the Company with respect to the issues addressed in this Release. Both parties represent that they are not relying on any other agreements or oral representations not fully expressed in this Release. This Release may not be modified except in writing signed by the Executive and an authorized Company representative. The headings in this Release are for reference only, and do not in any way affect the meaning or interpretation of this Release. As used herein, the phrase "including" means "including, but not limited to" in each instance. "Or" is used in the inclusive sense of "and/or." As used herein, the plural includes the singular, and the singular includes the plural: Use of the plural, or the singular, as the case may be, throughout this Release shall be construed to give this Release a broader meaning and scope, rather than a narrower one. Should any part of this Release be found to be void or unenforceable by a court of competent jurisdiction or Government Agency, such determination will not affect the remainder of this Release. A facsimile or scanned (e.g., .PDF, .GIF, etc.) signature shall be deemed to be an original.

If Executive wishes to accept the Company's offer to make the Transition Award, please sign, date and return a copy of this Release to the Company within twenty one (21) days after the Retirement Date. Executive is not to sign this Release prior to the Retirement Date. If not accepted, the Company's offer to enter into this Release and provide the Transition Award will expire at the close of business on the date that is twenty one (21) days after the Retirement Date.

[Signature Page to Separation Waiver and Release Agreement]

AGREED AND ACCEPTED BY:

Signature:  
David Abney

Dated: \_\_\_\_\_

**For Immediate Release**

Contacts: Steve Gaut, Public Relations  
404-828-8787

## **UPS BOARD APPOINTS CAROL TOMÉ AS CEO; DAVID ABNEY TO BE EXECUTIVE CHAIRMAN**

**ATLANTA, March 12, 2020** - The [UPS](#) (NYSE:UPS) Board of Directors today announced it has named Carol Tomé as UPS Chief Executive Officer, effective June 1. David Abney, the current Chairman and Chief Executive Officer, will remain in his role until June 1 when he will become Executive Chairman of the Board. He will retire from the UPS Board on September 30. In order to ensure a smooth transition and successful peak season, Abney will remain as a special consultant through the end of 2020 and then retire after 46 years of UPS service. On September 30, William Johnson, UPS Lead Independent Director, will assume the role of Non-Executive Chairman.

“After a rigorous selection process involving both internal and external candidates, Carol was the clear choice,” said Johnson, who also serves as Chair of the UPS Nominating and Corporate Governance Committee and is a member of the Executive Committee.

“Carol is one of the most respected and talented leaders in Corporate America and has a proven track record of driving growth at a global organization, maximizing shareholder value, developing talent and successfully executing against strategic priorities,” said Johnson. “As a member of the Board and Chair of the Audit Committee, Carol has in-depth knowledge of UPS’s business, strategy and people, and is the right executive to lead the company at this important time in its transformation.”

Johnson continued, “We congratulate David on a truly exceptional career at UPS. He has undertaken bold actions to place UPS at the forefront of the transportation industry and position its global network and people to capitalize on emerging trends that will carry the company well into the future.”

“UPS has been one of my life’s passions and through UPS I have been able to live the American dream,” said David Abney. “I am proud to have worked with UPSers to prepare this great company for its next 100 years. I am confident in the UPS management team and their capabilities to execute our strategies in the future. This is the right time for me to pass the baton. I am extremely pleased for Carol and know she is the best choice to lead the company. She understands UPS’s culture and values, is a strategic leader and possesses a customer-first mindset.”

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“I look forward to working with and further developing the talented management team and the company’s 495,000 employees to deliver for our customers and shareowners,” Carol Tomé said. “David has led a remarkable transformation at UPS and I plan to build on his success. UPS’s rich culture and commitment to its values will guide us as we continue to lead the industry and build on the company’s already strong foundation.”

Carol Tomé becomes the 12th chief executive officer in the 113-year history of UPS. She has been a member of the UPS Board of Directors since 2003 and serves as Chairperson of the Audit Committee. Tomé is the former Executive Vice President and Chief Financial Officer of The Home Depot, the largest home improvement retailer in the U.S. with 2,300 stores and 400,000 employees. Her responsibilities included corporate strategy, finance and business development. During her 18-year tenure as CFO, she is credited with helping to deliver a 450 percent increase in The Home Depot’s shareholder value.

Abney was appointed CEO in 2014 and as Chairman in 2016. Under his leadership, UPS has:

- increased revenue by 27%, increased adjusted net income by nearly 50% and raised adjusted earnings per share by nearly 60%;
- returned over \$29 billion to shareholders through dividends and share repurchases;
- implemented a multi-year transformation program that established strategic growth priorities and significantly improved U.S. operating leverage in 2019;
- significantly expanded global network capacity, enabling over 32 million package deliveries per day during the 2019 peak season;
- created UPS Flight Forward and obtained the FAA’s first full approval to operate a drone airline;
- shifted the composition of the Board and management team to increase the company’s diversity.

Abney previously served as Chief Operating Officer since 2007, overseeing logistics, sustainability, engineering and all facets of the UPS transportation network. Before serving as COO, he was President of UPS International, leading the company’s strategic initiative to increase its global logistics capabilities. During his career, he was also involved in a number of global acquisitions that included Coyote, Marken, the Fritz Companies, Sonic Air, Stolica, Lynx Express, and Sino-Trans in China. He began his UPS career in 1974 as a package handler in a small facility in Greenwood, Mississippi, while attending Delta State University.

Editor’s note: Full bios and photos are available at [UPS Leadership](#).

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## **About UPS**

UPS (NYSE: UPS) is a global leader in logistics, offering a broad range of solutions including transporting packages and freight; facilitating international trade, and deploying advanced technology to more efficiently manage the world of business. Headquartered in Atlanta, UPS serves more than 220 countries and territories worldwide. UPS was awarded [America's Best Customer Service](#) company for Shipping and Delivery services by Newsweek magazine; Forbes [Most Valuable Brand in Transportation](#); and top rankings on the [JUST 100](#) list for social responsibility, the Dow Jones Sustainability World Index, and the Harris Poll Reputation Quotient, among other prestigious rankings and awards. The company can be found on the web at [ups.com](http://ups.com) or [pressroom.ups.com](http://pressroom.ups.com) and its corporate blog can be found at [ups.com/longitudes](http://ups.com/longitudes). The company's sustainability eNewsletter, UPS Horizons, can be found at [ups.com/sustainabilitynewsletter](http://ups.com/sustainabilitynewsletter). To get UPS news direct, follow [@UPS\\_News](#) on Twitter. To ship with UPS, visit [ups.com/ship](http://ups.com/ship).