

UNITED PARCEL SERVICE, INC.
COMPENSATION COMMITTEE CHARTER

Effective November 3, 2020

I. COMMITTEE MEMBERS

The Board of Directors (the "Board") appoints a Compensation Committee (the "Committee") of at least three members, consisting entirely of independent directors of the Board, and designates one member as chairperson. "Independent" means a director who (i) satisfies all criteria to be a "non-employee director" within the meaning of Rule 16b-3 promulgated by the Securities and Exchange Commission (the "SEC"), (ii) satisfies all criteria for independence of a compensation committee member established by the SEC, and the New York Stock Exchange (the "NYSE") and (iii) meets the definition of "outside director" under Section 162(m) of the Internal Revenue Code, all as determined by the Board of Directors. The chairperson of the Committee and each Committee member will serve for such term as the Board may decide or until such Committee member is no longer a Board member.

II. PURPOSE AND RESPONSIBILITIES

The Compensation Committee shall assist the Board in discharging its responsibilities with respect to compensation of the Company's executive officers, including determination of certain compensation awards for senior executives, and approve an annual report on executive compensation for inclusion in the Company's proxy statement relating to its annual meeting of shareholders. Specifically, the Compensation Committee will:

1. Review and approve on an annual basis the corporate goals and objectives relevant to the compensation for the Chief Executive Officer ("CEO").
2. Evaluate the CEO's performance in light of such goals and objectives, and determine and approve on an annual basis the total compensation for the CEO based on this evaluation.
3. Review the CEO's performance assessment of other executive officers, and review and approve the compensation of other executive officers based upon all relevant information.
4. Review and approve awards to executives under certain incentive compensation and equity-based plans.
5. Review and approve the design of other benefit plans pertaining to executives of the Company.

6. Review and recommend to the Board, the design and approval of all incentive compensation plans and equity-based plans not otherwise approved pursuant to clause (5) above.
7. Approve such reports on compensation as are necessary for furnishing to or filing with the SEC and other government bodies, including:
 - a. Reviewing and discussing with management the compensation discussion and analysis prepared by management for inclusion in the Company's Annual Report on Form 10-K and proxy statement;
 - b. Recommending, based upon that review and discussion, whether the compensation discussion and analysis be included in the Company's Annual Report on Form 10-K and proxy statement; and
 - c. Overseeing the preparation of the Compensation Committee's Report, to be furnished to the SEC.
8. Consider and recommend to the Board (1) a policy on the frequency of the Company's advisory vote on executive compensation and (2) the recommendation to shareowners regarding the approval of the Company's executive compensation.
9. Assess the results of the most recent shareowner advisory vote on executive compensation.
10. Oversee the evaluation of risks to the Company's business associated with the Company's total compensation strategy and compensation policies and programs.
11. Approve the amendment or modification of any compensation or benefit plan pertaining to executives of the Company that does not require shareowner approval, if any.
12. Review and recommend to the Board of Directors changes to non-employee directors' compensation.
13. Determine, in its sole discretion, whether to retain or obtain the advice of a compensation consultant, outside legal counsel or other advisor. Be directly responsible for the appointment, retention, compensation, oversight and termination of any outside consultants, outside legal or other advisors retained for the sole purpose of advising and assisting the Committee in carrying out its responsibilities. Obtain assistance from members of management as the Committee deems appropriate in the exercise of its authority. Receive appropriate funding, as determined by the Committee, from the Company for payment of compensation to any such consultants and advisors.

14. Assess the independence of any consultants or advisors prior to receiving advice from them in accordance with NYSE listing standards.
15. At least annually, assess whether the work of compensation consultants involved in determining or recommending executive or director compensation has raised any conflict of interest that is required to be disclosed in the Company's proxy statement.
16. Make reports and recommendations to the Board within the scope of its functions.
17. Delegate any of its responsibilities to subcommittees of one or more directors as the Compensation Committee may deem appropriate.
18. Conduct an annual performance evaluation of the Committee.
19. Periodically review the adequacy of this Charter and recommend any proposed changes to the Board for approval.
20. Perform such activities consistent with this Charter, the Company's Amended and Restated Bylaws and applicable law as the Board of Directors or the Compensation Committee deems necessary or appropriate.

III. COMMITTEE MEETINGS

The Committee will meet as often as it deems necessary or appropriate, in its judgment, either in person or telephonically, and at such times and places as the Committee determines. The Committee may from time to time invite to its meetings any director, management of the Company or such other persons as it deems appropriate. The majority of the members of the Compensation Committee constitute a quorum.