

United Parcel Service, Inc.
Related Person Transactions Policy
Approved February 10, 2022

The UPS Code of Business Conduct requires that employees and directors avoid conflicts of interest, defined as situations where private interests conflict, or even appear to conflict, with the interests of UPS. Furthermore, under Securities and Exchange Commission (“SEC”) regulations, UPS is required to disclose certain transactions between the Company and certain related persons (“Related Person Transactions”), as defined below.

In order to help avoid conflicts of interest and to comply with SEC regulations, each director and member of the Executive Leadership Team is required to complete a detailed questionnaire annually. The questionnaire seeks information about any business relationship that may give rise to a conflict of interest and any transaction in which UPS is involved and in which the Executive Leadership Team member, a director or a related person has or will have a direct or indirect material interest.

In addition, as part of our internal control over financial reporting, in connection with the preparation and review of our quarterly and annual reports to be filed with the SEC, each quarter each member of the UPS Disclosure Committee is required to provide information about any Related Person Transactions of which they are aware.

The Board of Directors, acting upon the recommendation of its Audit Committee, has adopted the following policy with regard to Related Person Transactions. Related Person Transactions, which are limited to those defined in this policy, shall be subject to approval by the Audit Committee of the Board of Directors (the “Committee”). Directors and executive officers are expected to notify the Corporate Secretary promptly if they become aware of actual or proposed transactions or relationships involving related parties and UPS. The goal of this policy is to provide a framework for the independent oversight of all Related Person Transactions, so that the Committee can authorize such transactions when not inconsistent with the interests of UPS and its shareowners.

Definitions

A Related Person Transaction is any transaction or series of transactions in which (1) UPS or any of its subsidiaries is a participant, (2) any Related Person has or will have a material direct or indirect interest, and (3) the aggregate amount involved since the beginning of the Company’s last completed fiscal year will exceed or may reasonably be expected to exceed \$100,000. Any transaction that Item 404 of Regulation S-K provides need not be disclosed shall not be considered a “related person transaction” for purposes of this policy.

A Related Person is (1) any person who is or was an executive officer, director, or director nominee since the beginning of the last completed fiscal year, (2) any person who is known by UPS to be a greater than 5% beneficial owner of UPS’s common stock, or (3) an Immediate Family Member of any natural person in (1) or (2) above.

An Immediate Family Member includes a person’s spouse, parents, stepparents, children, stepchildren, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, and brothers- and sisters-in-law and anyone residing in a Related Person’s home.

Procedures

The Corporate Secretary will provide material facts about each new, existing, or proposed Related Person Transaction for the Committee's consideration. The Committee shall approve or disapprove of the entry into the Related Person Transaction. If advance approval of a Related Person Transaction is not possible, then the transaction will be considered and, if deemed appropriate, ratified no later than the Committee's next regularly scheduled meeting.

Any member of the Committee who has an interest in the transaction under discussion will abstain from voting on the approval of the Related Person Transaction, except that the director will provide all material information concerning the transaction to the Committee.

In determining whether to approve or ratify a Related Person Transaction, the Committee will take into account, among other factors it deems appropriate, whether the transaction is on terms no less favorable than terms generally available to an unaffiliated third-party under the same or similar circumstances, the extent of the Related Person's interest in the transaction, whether the transaction would impair the independence of an outside director, whether there are business reasons for the Company to enter into the transaction, and whether the transaction is inconsistent with the interests of the Company and its shareowners.

Furthermore, the Committee has reviewed the Related Person Transactions described below under "Standing Pre-Approval for Certain Related Person Transactions" and determined that each of the transactions described therein are deemed pre-approved by the Committee under this policy.

Standing Pre-Approval for Certain Related Person Transactions

The Committee has reviewed the types of Related Person Transactions described below and determined that each of the following Related Person Transactions are pre-approved by the Committee. Notwithstanding the foregoing, in lieu of relying on standing pre-approval, the Corporate Secretary may bring any Related Person Transaction of a type described below to the Committee for specific review and approval, if the Secretary determines it to be appropriate considering the facts and circumstances relevant to the Related Person Transaction.

1. *Employment of executive officers.* Any employment by the Company of an executive officer of the Company if:
 - a. the related compensation is required to be reported in the Company's proxy statement under Item 402 of the SEC's compensation disclosure requirements (generally applicable to "named executive officers"); or
 - b. the executive officer is not an Immediate Family Member of another executive officer or director of the Company, the related compensation would be reported in the Company's proxy statement under Item 402 of the SEC's compensation disclosure requirements if the executive officer was a "named executive officer," and the Company's Compensation Committee approved (or recommended that the Board approve) such compensation.

2. *Director compensation.* Any compensation paid to a director if the compensation is required to be reported in the Company's proxy statement under Item 402 of the SEC's compensation disclosure requirements.
3. *Certain transactions with other companies.* Any transaction with another company at which a Related Person's only relationship is as an employee (other than an executive officer), if the aggregate amount involved does not exceed the greater of \$1,000,000, or 2% of that company's total annual revenues.
4. *Certain Company charitable contributions.* Any charitable contribution, grant or endowment by UPS or the UPS Foundation to a charitable organization, foundation or university at which a Related Person's only relationship is as an employee (other than an executive officer), if the aggregate amount involved does not exceed the lesser of \$1,000,000, or 2% of the charitable organization's total annual receipts.
5. *Transactions where all shareholders receive proportional benefits.* Any transaction where the Related Person's interest arises solely from the ownership of UPS's equity securities and all holders received the same benefit on a *pro rata* basis (e.g., dividends).
6. *Transactions involving another public company with a common institutional shareholder.* Any transaction with another publicly traded company where the Related Person's interest arises solely from beneficial ownership of more than 5% of the Company's common stock and ownership of a non-controlling interest in the other publicly traded company.
7. *Transactions involving competitive bids.* Any transaction involving a Related Person where the rates or charges involved are determined by competitive bids.
8. *Certain Transactions with Greater Than Five Percent Stockholders.* Any transaction with an entity and its affiliates that is considered a Related Person solely because the entity has reported beneficial ownership of more than five percent of a class of securities of UPS on Schedule 13G if the entity is a bank, broker or dealer, insurance company, investment advisor, investment company, or other entity that qualifies to report its ownership on Schedule 13G pursuant to Rule 13d-1(b) of the Securities Exchange Act of 1934, provided that such transaction is in the ordinary course of business of each of the parties.
9. *Ordinary course transactions where the aggregate amounts do not exceed \$500,000.* Any transaction (not otherwise approved pursuant to one or more of the paragraphs above) with another entity in which the Related Person's interest arises solely because the Related Person is an executive officer or employee, partner, or beneficial owner of greater than 10% of the equity interests (either individually or together with all other Related Persons) in the entity, where the aggregate amounts involved (including any periodic payments or installments due on or after the beginning of the Company's last completed fiscal year and, in the case of indebtedness, the largest amount expected to be outstanding and the amount of annual interest thereon) do not exceed \$500,000, provided, that such transaction is entered into in the ordinary course of business of UPS and is on substantially the same terms as those prevailing at the time for comparable transactions with persons not affiliated with UPS.