



ESG Strategy

June 2021



Forward-looking Statements



This presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Statements other than those of current or historical fact, and all statements accompanied by terms such as “will,” “believe,” “project,” “expect,” “estimate,” “assume,” “intend,” “anticipate,” “target,” “plan,” and similar terms, are intended to be forward-looking statements. Forward-looking statements are made subject to the safe harbor provisions of the federal securities laws pursuant to Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934.

From time to time, we also include written or oral forward-looking statements in other publicly disclosed materials. Such statements may relate to our intent, belief, forecasts of, or current expectations about our strategic direction, prospects, future results, or future events; they do not relate strictly to historical or current facts. Management believes that these forward-looking statements are reasonable as and when made. However, caution should be taken not to place undue reliance on any forward-looking statements because such statements speak only as of the date when made and the future, by its very nature, cannot be predicted with certainty.

Forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from our historical experience and our present expectations or anticipated results. These risks and uncertainties, include, but are not limited to: continued uncertainties related to the impact of the COVID-19 pandemic on our business and operations, financial performance and liquidity, our customers and suppliers, and on the global economy; changes in general economic conditions, in the U.S. or internationally; significant competition on a local, regional, national and international basis; changes in our relationships with our significant customers; changes in the regulatory environment in the U.S. or internationally; increased or more complex physical or data security requirements; legal, regulatory or market responses to global climate change; results of negotiations and ratifications of labor contracts; strikes, work stoppages or slowdowns by our employees; the effects of changing prices of energy, including gasoline, diesel and jet fuel, and interruptions in supplies of these commodities; changes in exchange rates or interest rates; uncertainty from the expected discontinuance of LIBOR and transition to any other interest rate benchmark; our ability to maintain our brand image; our ability to attract and retain qualified employees; breaches in data security; disruptions to the Internet or our technology infrastructure; interruptions in or impacts on our business from natural or man-made events or disasters including terrorist attacks, epidemics or pandemics; our ability to accurately forecast our future capital investment needs; exposure to changing economic, political and social developments in international and emerging markets; changes in business strategy, government regulations, or economic or market conditions that may result in impairment of our assets; increases in our expenses or funding obligations relating to employee health, retiree health and/or pension benefits; potential additional U.S. or international tax liabilities; potential claims or litigation related to labor and employment, personal injury, property damage, business practices, environmental liability and other matters; our ability to realize the anticipated benefits from acquisitions, dispositions, joint ventures or strategic alliances; our ability to realize the anticipated benefits from our transformation initiatives; cyclical and seasonal fluctuations in our operating results; our ability to manage insurance and claims expenses; and other risks discussed in our filings with the Securities and Exchange Commission from time to time, including our Annual Report on Form 10-K for the year ended December 31, 2020 and subsequently filed reports. You should consider the limitations on, and risks associated with, forward-looking statements and not unduly rely on the accuracy of predictions contained in such forward-looking statements. We do not undertake any obligation to update forward-looking statements to reflect events, circumstances, changes in expectations, or the occurrence of unanticipated events after the date of those statements.

Company goals are aspirational and not guarantees or promises that all goals will be met. Statistics and metrics relating to ESG matters are estimates and may be based on assumptions or developing standards.

E

Environmental roadmap to achieve carbon neutrality by 2050 across Scope 1, 2 and 3 emissions

S

Community engagement and impact goals by 2040

- Comprehensive Social targets will be available in July 2021 when we publish our annual sustainability report.

G

Transparency and responsiveness



E Achieve Carbon Neutrality by 2050

UPS approach: accountability with flexibility for innovation

Goal: Comprehensive carbon neutral approach across Scope 1, 2 and 3 emissions in our global operations by 2050.

Roadmap to 2050 is based on sound engineering principles and a fiscally-responsible approach.

GHGs to be balanced as needed with an equivalent amount of carbon removals and/or offsets.

2025

25% renewable electricity in facilities
40% alternative fuel in ground operations

2035

50% reduction in CO₂ per package delivered for global small package (2020 base year)
100% renewable electricity in facilities
30% sustainable aviation fuel

2050

Carbon neutrality in our global operations



S

The UPS Foundation / Community Engagement

Delivering what matters... HELP to the communities we serve globally

Goal: Invest in communities and positively impact the lives of 1 billion people by 2040.

HELP Goals

H

Health & Humanitarian Relief portfolio to provide equitable access to vaccines, humanitarian relief, human trafficking training, road safety training, etc.

E

Enhance equity and economic empowerment by investing at least 25% of The UPS Foundation funding toward addressing systemic education and economic barriers and creating opportunities for underserved women, youth, and marginalized communities.

L

Mobilize 30 million volunteer hours to deliver systemic impact through local community engagement.

P

Plant 50 million trees to advance environmental justice and a more sustainable world.

Comprehensive Social targets will be available in July 2021 when we publish our annual sustainability report.





Effective Governance at UPS

Furthering transparency and responsiveness

Board structure and oversight

All directors (other than CEO) are independent; independent Board Chair

All members of the Audit, Compensation, Nominating & Corporate Governance and Risk Committees are independent

Diverse range of skills and experiences; six women and four ethnically diverse directors

Best-in-class governance and stakeholder engagement

Proxy access

Annual say-on-pay

Outreach program to shareowners and others on ESG issues

Stakeholder-friendly reporting

Human capital management, sustainability and political contributions in proxy statement

Annual sustainability reporting includes SASB report and TCFD report (beginning 2021)

EEO-1 report disclosure (beginning 2021)





Thank You