

2024

NOTICE OF ANNUAL MEETING
**of Shareowners and
Proxy Statement**
2023 ANNUAL REPORT ON FORM 10-K



Thursday, May 2, 2024 | 8:00 a.m. Eastern Time
www.virtualshareholdermeeting.com/UPS2024

United Parcel Service, Inc.
55 Glenlake Parkway, N.E.
Atlanta, GA 30328

March 18, 2024



Dear Fellow Shareowners:

At the beginning of the year, I said 2023 was going to be a year of resiliency, and that turned out to be true. We faced challenging external business conditions that led to declining volume, revenue and operating profit in all lines of our business. I'm proud of the efforts of our nearly 500,000 employees for navigating through these challenges.

Throughout 2023, we operated with speed and agility, controlled what we could control, and stayed on strategy. Here are some highlights from the year:

- Delivered excellent service to our customers around the globe, anchored by the best on-time performance of any carrier in the U.S. for the sixth year in a row.
- Grew small and medium-sized business (SMB) penetration to 28.6% of total U.S. volume, driven by continued expansion of DAP, our Digital Access Program, and the convenience of The UPS Store.
- Generated \$10 billion in healthcare revenue across our three business segments; topped 17 million square feet of healthcare-compliant distribution space and acquired MNX Global Logistics, expanding our cold chain capabilities.
- Delivered a win-win-win labor agreement for our Teamster employees with a wage and benefit compounded annual growth rate increase of 3.3% over the five-year life of the contract, providing certainty for UPS and our customers.
- Completed phase one of Smart Package Smart Facility, our RFID solution, in more than 1,000 buildings in the U.S., reducing misloads by 67%.
- Acquired Happy Returns, enhancing our no-box, no-label, consolidated returns capabilities.
- Generated \$91 billion in consolidated revenue with a consolidated adjusted operating profit margin of 10.9%*.
- Generated \$5.3 billion in free cash flow* and repaid \$2.4 billion of long-term debt.
- Returned \$7.6 billion to shareowners, consisting of \$5.4 billion in cash dividends and \$2.25 billion in share repurchases.

CUSTOMER FIRST, PEOPLE LED, INNOVATION DRIVEN

Customer First is about reducing friction in the customer experience and meeting customer needs. While we experienced some volume diversion during our Teamster labor negotiation, our commitment to service allowed us to win back and win new volume following the ratification of the contract. In 2023, we continued to build new solutions for shippers and recipients. For example, we launched Hyperlocal, a data driven solution that leverages our U.S. facilities to provide select customers with a fast, next-day delivery option, and enables UPS to capture new profitable B2C and B2B volume. We also expanded Delivery Photo, providing 92% of our global residential stops a photo that shows exactly where the package was delivered, providing peace of mind to recipients and reducing “where’s my package” calls. Customer First is also about growing in the most attractive parts of the market, like SMBs, certain enterprise customers, healthcare and international. In terms of SMBs, DAP is a competitive strength and SMB growth driver that generated \$2.9 billion in global revenue in 2023. Additionally, returns continue to be a growth area for UPS. To accelerate that growth, we acquired Happy Returns and quickly made it available in over 5,000 The UPS Store locations, making returns even more convenient for consumers and merchants. Looking at healthcare, our strategic objective is to become the number one complex healthcare logistics provider in the world, and we are making bold moves to get there. For example, our acquisition of MNX Global Logistics enables us to reach new customers and new healthcare markets, like the radio-pharmaceuticals sector, with global time-critical and cold chain solutions. We see significant opportunity for complex healthcare and expect to continue to grow in healthcare over the next few years. We track progress in Customer First by improvements in our Net Promoter Score (NPS). In the U.S., we finished the year with a NPS of 44 and moved closer toward our target NPS of 50.

Moving to *People Led*, we are focused on the employee experience and making UPS a great place to work. In September, our five-year labor agreement with the Teamsters was fully ratified with overwhelming support from our union-represented employees. This win-win-win agreement continues to reward our employees with the best pay and benefits in our industry, which helps us attract and retain talent and provide industry-leading service to our customers. Further, UPS retained the flexibility we need to stay competitive, serve our customers and keep our business strong. We measure our progress in People Led by how likely an employee is to recommend others to work at UPS. In 2023, 65% said they would recommend employment at UPS to family and friends, an improvement of 14 percentage points over the past five years. Our goal is for Likelihood to Recommend to reach 80% or higher.

Lastly, *Innovation Driven* is about driving more productivity from the assets we own. Throughout 2023, productivity initiatives like Total Service Plan enabled greater agility to match network capacity with changing volume levels. Additionally, our Network Planning Tools (NPT), which use AI and machine learning, enabled us to adjust load planning, scheduling and volume flows across the network based on real-time data. This technology is powerful, and NPT can do in an afternoon what used to take a team of UPS engineers months to do. We also more closely aligned our digital businesses, including Roadie, Ware2Go, Delivery Solutions and UPS Capital as we adopt a bolder approach to digital commerce. We are accelerating new solutions to meet the needs of our customers and expanding our addressable market to drive profitable growth. One example of a recent innovation is UPS Capital’s Delivery Defense, which uses predictive analytics to enable merchants to assess the level of delivery risk associated with addresses. We measure Innovation Driven by delivering high returns on invested capital, and in 2023, we delivered an adjusted return on invested capital* of 21.9%.

LOOKING AHEAD

After a difficult year, we exited 2023 with some momentum, but momentum is not enough. We are making bold moves to right size our company for the future under an initiative we call “Fit to Serve.” We are exploring strategic alternatives for our truckload brokerage business known as Coyote. We are leaning into growth in the most attractive parts of the market and are continuing to drive efficiency across our integrated network. We expect market conditions to settle down in 2024 and that, coupled with our initiatives, gives us confidence that we will reverse the negative trends we experienced in 2023.

To wrap up, I want to encourage all shareowners to vote your shares at our Annual Meeting in May. This is your opportunity to share your views with us. We listen and take your feedback into account as we seek to grow our business, further improve governance and create long-term shareowner value. As we approach the Annual Meeting, I encourage you to contact us with any questions or feedback at 404-828-6059.

I’ll leave you with a quote from our founder, Jim Casey, “Our horizon is as distant as our mind’s eye wishes it to be.” UPS is stronger than ever. We are writing the next chapter of the UPS story and we believe our best days are ahead of us.

We thank you for your support.



Carol B. Tomé
Chief Executive Officer

*See reconciliation of Non-GAAP financial measures on page A1.

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Notice of 2024 Annual Meeting of Shareowners and Proxy Statement

Thursday, May 02, 2024
8:00 a.m. Eastern Time

www.virtualshareholdermeeting.com/UPS2024

Table of Contents

Board Chair Letter	4	Ownership of Our Securities	63
Notice of Annual Meeting	5	Securities Ownership of Certain Beneficial Owners and Management	63
Proxy Statement Summary	7	Delinquent Section 16(a) Reports	64
Corporate Governance	10	Audit Committee Matters	65
Selecting Director Nominees	10	Proposal 3 — Ratification of Auditors	65
Board Leadership Structure	11	Audit Committee Report	65
Executive Sessions of Independent Directors	11	Principal Accounting Firm Fees	67
Board and Committee Evaluations	12	Shareowner Proposals	68
Board Refreshment and Succession	13	Proposal 4 — Reduce the Voting Power of Class A Stock from 10 Votes Per Share to One Vote Per Share	68
Board Oversight of Strategic Planning	13	Proposal 5 — Report on the Risks Arising From Voluntary Carbon-Reduction Commitments	71
Management Development and Succession Planning	13	Proposal 6 — Annual Report on Diversity, Equity and Inclusion	74
Risk Oversight	14	Important Information About Voting at the 2024 Annual Meeting	77
Stakeholder Engagement	15	Other Information for Shareowners	81
Political Engagement	16	Solicitation of Proxies	81
Sustainability	17	Eliminating Duplicative Proxy Materials	81
Human Capital Management	17	Submission of Shareowner Proposals and Director Nominations	81
Majority Voting and Director Resignation Policy	19	2023 Annual Report on Form 10-K	82
Board Meetings and Attendance	19	Other Business	82
Code of Business Conduct	19		
Conflicts of Interest and Related Person Transactions	19		
Transactions in Company Stock	20		
Corporate Governance Guidelines and Committee Charters	20		
Communicating with the Board of Directors	20		
Our Board of Directors	21		
Proposal 1 — Director Elections	21		
Director Nominee Skills, Experience and Diversity	22		
Director Nominee Biographical Information	23		
Director Independence	29		
Committees of the Board of Directors	30		
Director Compensation	31		
Executive Compensation	32		
Compensation Committee Report	32		
Compensation Discussion and Analysis	33		
2023 Summary Compensation Table	45		
2023 Grants of Plan-Based Awards	47		
2023 Outstanding Equity Awards at Fiscal Year-End	48		
2023 Option Exercises and Stock Vested	49		
2023 Pension Benefits	49		
2023 Non-Qualified Deferred Compensation	51		
Potential Payments on Termination or Change in Control	53		
Equity Compensation Plans	56		
Median Employee to CEO Pay Ratio	57		
Pay Versus Performance	58		
Proposal 2 — Advisory Vote to Approve Named Executive Officer Compensation	62		

**United Parcel Service, Inc.
55 Glenlake Parkway, N.E.
Atlanta, GA 30328**

March 18, 2024



Dear Fellow Shareowners,

It is my pleasure to invite you to attend the 2024 UPS Annual Meeting of Shareowners. We encourage you to attend the meeting and to share your views about our Company.

I am honored to serve as board chair and to help facilitate the effective oversight of our Company's strategy and risks. Your board is highly engaged and has a productive working relationship with management. Each director brings a diverse set of skills and perspectives to the boardroom which, taken together, contributes to the successful execution of our responsibilities. We remain focused on creating long-term value for all stakeholders.

In 2023, our Company faced significant headwinds, including economic pressures, increasing geopolitical tensions, high inflation, changing consumer shopping behaviors, trade lane shifts and our union contract negotiations. Despite these uncertainties, we were still able to return over \$7.6 billion to shareowners in 2023 through dividends and share repurchases, and we have established a new baseline for growth.

The board recognizes management's many achievements during such a challenging year. Management continued to make progress against the Company's strategy, including investing back in the business to drive productivity and future growth, executing strategic acquisitions and remaining focused on premium markets, including small and medium-sized businesses, healthcare, and international growth. The Company once again provided best-in-class service, successfully managed our best-in-class network and strategically expanded its service offerings. In addition, the Company entered into a "win-win-win" labor contract that provides meaningful labor certainty.

In closing, I want to encourage all my fellow shareowners to vote. As we approach the Annual Meeting, please contact us with any questions or feedback at 404-828-6059.

On behalf of the entire Board of Directors, thank you for your continued support.

A handwritten signature in black ink that reads "Bill Johnson". The signature is written in a cursive, flowing style.

William Johnson
UPS Board Chair



Notice of Annual Meeting

UNITED PARCEL SERVICE, INC.

55 Glenlake Parkway, N.E., Atlanta, Georgia 30328

Date and Time: May 2, 2024, 8:00 a.m. Eastern Time

Place: The United Parcel Service, Inc. 2024 Annual Meeting of shareowners will be held online via webcast at www.virtualshareholdermeeting.com/UPS2024.

Record Date: March 5, 2024

Distribution Date: A Notice of Internet Availability of Proxy Materials or the Proxy Statement is first being sent to shareowners on March 18, 2024.

Voting: Holders of class A common stock are entitled to 10 votes per share on each matter to be acted upon; holders of class B common stock are entitled to one vote per share on each matter to be acted upon. **Your vote is important. Please vote as soon as possible through the Internet, by telephone or by signing and returning your proxy card (if you received a paper copy of the proxy card). Your voting options are described on the Notice of Internet Availability of Proxy Materials, voting instruction form and/or proxy card. Brokers are not permitted to vote on certain proposals and may not vote on any of the proposals unless you provide voting instructions. Voting your shares will help to ensure that your interests are represented at the meeting.**

Attending the Meeting: You or your proxy holder can participate, vote and ask questions at the meeting by visiting www.virtualshareholdermeeting.com/UPS2024 and using your 16-digit control number found on your proxy card, voting instruction form or Notice of Internet Availability of Proxy Materials. Shareowners who do not receive a 16-digit control number should consult their voting instruction form or Notice of Internet Availability of Proxy Materials and may need to request a legal proxy from their bank, broker or other nominee in advance of the meeting in order to participate. For more information, see page 77.

Important Notice Regarding the Availability of Proxy Materials for the Shareowner Meeting to be Held on May 2, 2024: The Proxy Statement and our 2023 Annual Report are available at www.proxyvote.com. Questions? Call 404-828-6059 (option 2).

By order of the Board of Directors

Norman M. Brothers, Jr.
Secretary
Atlanta, Georgia
March 18, 2024



Items of Business

UNITED PARCEL SERVICE, INC.

2024 Annual Meeting of Shareowners

	Voting Choices	Board Voting Recommendations	Page
Company Proposals:			
1. Elect 12 director nominees named in the Proxy Statement to serve until the 2025 Annual Meeting and until their respective successors are elected and qualified	<ul style="list-style-type: none">• Vote for all nominees• Vote against all nominees• Vote for some nominees and against others• Abstain from voting on one or more nominees	FOR EACH NOMINEE	21
2. Advisory vote to approve named executive officer compensation	<ul style="list-style-type: none">• Vote for the proposal• Vote against the proposal• Abstain from voting on the proposal	FOR	62
3. Ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for 2024	<ul style="list-style-type: none">• Vote for ratification• Vote against ratification• Abstain from voting on the proposal	FOR	65
Shareowner Proposals:			
4. - 6. Advisory votes on 3 shareowner proposals, only if properly presented	<ul style="list-style-type: none">• Vote for each proposal• Vote against each proposal• Abstain from voting on one or more proposals	AGAINST EACH PROPOSAL	68





Proxy Statement

UNITED PARCEL SERVICE, INC.

55 Glenlake Parkway, N.E., Atlanta, Georgia 30328

This Proxy Statement contains important information about the 2024 Annual Meeting of Shareowners (the "Annual Meeting"). We are providing these proxy materials to you because our Board of Directors is soliciting your proxy to vote your shares at the Annual Meeting. The Annual Meeting will be held online via webcast on May 2, 2024, at 8:00 a.m. Eastern Time, at www.virtualshareholdermeeting.com/UPS2024. Shareowners can participate, ask questions and vote during the meeting through this website.

All properly executed written proxies, and all properly completed proxies submitted through the Internet or by telephone, that are delivered pursuant to this solicitation will be voted at the Annual Meeting in accordance with the directions given in the proxy, unless the proxy is revoked prior to the completion of voting at the Annual Meeting. Only owners of record of shares of the Company's common stock as of the close of business on March 5, 2024 (the "Record Date") are entitled to notice of, and to vote at, the Annual Meeting (or any adjournment or postponement of the Annual Meeting). We are first mailing this Proxy Statement on or about March 18, 2024.

Proxy Statement Summary

The following summary highlights key information contained elsewhere in this Proxy Statement.

Corporate Governance

Some of our key governance policies and practices include:

- An **independent board**; all our directors are independent, other than our Chief Executive Officer ("CEO"); an **independent Board Chair** who is highly engaged and experienced;
- A **diverse board**, with 42% of the board being female and 33% of the board being ethnically diverse;
- **Executive sessions** of our **independent directors** held at each board meeting;
- **Annual elections** for all directors; **majority voting** in uncontested director elections;
- Full board engagement in the **strategic planning** process, including an in-depth annual strategy review and overseeing progress throughout the year;
- A Risk Committee consisting entirely of independent members that is responsible for **oversight of enterprise risks, including cybersecurity risks**;
- Regular evaluations of governance policies and practices, making changes when appropriate; including recently delegating additional **cybersecurity oversight responsibilities** to the Risk Committee, delegating **environmental sustainability oversight responsibilities** to the Nominating and Corporate Governance Committee, delegating additional **human capital oversight responsibilities** to the Compensation and Human Capital Committee, and adopting a **director overboarding policy**;
- Regular **engagement with stakeholders on environmental, social and governance ("ESG") matters**; during this proxy season management contacted holders of over 47% of our class B common stock to discuss our sustainability goals and initiatives, commitments to diversity and inclusion, and executive compensation matters;
- **Annual** board and committee **self-evaluations**, including one-on-one director discussions with the independent Board Chair;
- Comprehensive **director orientation and education** program;
- Robust **stock ownership guidelines**, including a target ownership of **eight times annual salary** for the CEO, **five times annual salary** for other executive officers and **five times the annual retainer** for directors; and
- **Restrictions on** executive officers and directors **hedging or pledging** their ownership in UPS stock.

2024 Director Nominees

Highlights

92% Independent

61.6 years Average age

8.9 years Average tenure

42% Female

33% Ethnically diverse

Summary information about our director nominees is below. As a group, we believe our 12 director nominees have the appropriate skills and experience to effectively oversee and constructively challenge management's performance in the execution of our strategy. For more information about our director nominees see page 21.

Name	Director Since	Principal Occupation	Committee(s)
Independent Directors			
Rodney Adkins	2013	Former Senior Vice President, International Business Machines Corporation	<ul style="list-style-type: none"> - Risk (Chair) - Compensation and Human Capital - Executive
Eva Boratto	2020	Chief Financial Officer, Bath & Body Works, Inc.	<ul style="list-style-type: none"> - Audit (Chair)
Michael Burns	2005	Former Chairman, President and Chief Executive Officer, Dana Incorporated	<ul style="list-style-type: none"> - Audit
Wayne Hewett	2020	Senior Advisor to Permira	<ul style="list-style-type: none"> - Audit
Angela Hwang	2020	Former Chief Commercial Officer and President, Pfizer Biopharmaceuticals Business, Pfizer, Inc.	<ul style="list-style-type: none"> - Audit
Kate Johnson	2020	President and Chief Executive Officer, Lumen Technologies, Inc.	<ul style="list-style-type: none"> - Nominating and Corporate Governance - Risk
William Johnson ⁽¹⁾	2009	Former Chairman, President and Chief Executive Officer, H.J. Heinz Company	<ul style="list-style-type: none"> - Nominating and Corporate Governance (Chair) - Executive
Franck Moison	2017	Former Vice Chairman, Colgate-Palmolive Company	<ul style="list-style-type: none"> - Nominating and Corporate Governance - Risk
Christiana Smith Shi	2018	Former President, Direct-to-Consumer, Nike, Inc.	<ul style="list-style-type: none"> - Compensation and Human Capital (Chair) - Risk
Russell Stokes	2020	President and Chief Executive Officer, Commercial Engines and Services, GE Aerospace	<ul style="list-style-type: none"> - Compensation and Human Capital - Nominating and Corporate Governance
Kevin Warsh	2012	Former Member of the Board of Governors of the Federal Reserve System, Distinguished Visiting Fellow, Hoover Institution, Stanford University	<ul style="list-style-type: none"> - Compensation and Human Capital - Nominating and Corporate Governance
Non-Independent Director			
Carol Tomé	2003	UPS Chief Executive Officer	<ul style="list-style-type: none"> - Executive (Chair)

(1) Independent Board Chair

Executive Compensation

Compensation Practices

A significant portion of executive compensation is at-risk and tied to Company performance. This helps align executive decision-making with the long-term interests of our shareowners. We also have a longstanding owner-manager culture. Compensation practices that support these principles include:

- A **balanced** mix of **cash and equity**, providing a degree of financial certainty and appropriate incentives to retain and motivate executives;
- Performance incentive equity awards which vest over multiple years, furthering both **retention** and **incentive** goals;
- **Multiple distinct goals** for annual and long-term performance incentive awards, avoiding overemphasis on any one metric and mitigating excessive risk-taking;
- Long-term performance incentive awards with a **three-year performance period**;
- Stock option awards that **vest** over a **five-year period** and only provide value if our stock price increases;
- **Clawback policy** that applies to all of our executive officers;
- Incentive compensation plan awards require a “**double trigger**” — both a change in control and a termination of employment or a failure to continue, assume or substitute the award — to accelerate vesting; and
- **No tax gross-ups** on equity awards or golden parachute excise taxes.

2023 Compensation Actions

Key 2023 compensation decisions affecting our executive officers included:

- Most **total direct compensation** was **performance-based** or considered “**at risk**” (93% for the CEO and 86% for all other named executive officers (“NEOs”) as a group), page 34;
- **Base salary increases** as a result of the annual salary review process and pay mix redesign, page 36;
- **Pay mix redesign** to better align annual incentive pay with market practices, improve the competitiveness of base salaries and simplify compensation design, page 36;
- A **bifurcated performance period** for the annual incentive awards in light of continued economic uncertainty and our then-labor uncertainty; beginning with the 2024 performance period, the Compensation and Human Capital Committee has **returned to annual goal setting** for annual incentive awards, page 37;
- **Annual incentive awards** were earned and paid **below target**, page 37; and
- Previously granted **2021 Long-Term Incentive Performance** (“LTIP”) awards, which had three-year performance goals ending in 2023, were earned and paid **below target**, page 40.

Say on Pay Vote

We maintain executive compensation programs that support the long-term interests of our shareowners. We provide shareowners the opportunity to vote annually, on an advisory basis, to approve the compensation of our NEOs, as described in the Compensation Discussion and Analysis section and in the compensation tables and accompanying narrative disclosure in this Proxy Statement. For more information, see page 62.

The board recommends you vote **FOR** the advisory vote to approve NEO compensation.

Ratify the Appointment of the Independent Registered Public Accounting Firm

The Audit Committee of the Board of Directors has appointed Deloitte & Touche LLP as our independent registered public accounting firm for the year ending December 31, 2024. The board recommends you vote **FOR** the ratification of the appointment of Deloitte & Touche LLP. For more information, see page 65.

Shareowner Proposals

For the reasons described in this Proxy Statement, the board recommends you vote **AGAINST** the shareowner proposals. Information about these proposals starts on page 68.

Corporate Governance

The Board of Directors is accountable to shareowners and operates within a governance structure that we believe provides appropriate checks and balances to create long-term value. The board's responsibilities include:

- Establishing an appropriate corporate governance structure;
- Supporting and overseeing management in setting long-term strategic goals and applicable measures of value-creation;
- Providing oversight on the identification and management of materials risks;
- Establishing appropriate executive compensation structures; and
- Monitoring business issues that have the potential to significantly impact the Company's long-term value.

We regularly review and update our corporate governance policies and practices in response to the evolving needs of our business, shareowner and other stakeholder feedback, regulatory changes, and other corporate developments. Following is an overview of our corporate governance structure and processes, including key aspects of our board operations.

Selecting Director Nominees

Maintaining a board of individuals independent of management, with the appropriate skills and experience, and of the highest personal character, integrity and ethical standards, is critical to the proper functioning of the board. The Nominating and Corporate Governance Committee seeks to promote diversity in the boardroom with respect to **gender, age, ethnicity, skills, experience, perspectives, and other factors**. Our directors' biographies beginning on page 21 highlight factors that the board considered when nominating these individuals.

Nomination Process

1. **Board Composition Review**

The board's annual self-evaluation helps the Nominating and Corporate Governance Committee identify needs by **assessing areas where additional diversity, perspectives, expertise, skills or experience may be desired**. The Nominating and Corporate Governance Committee also conducts regular in-depth board composition reviews.

2. **Candidate Identification**

The Nominating and Corporate Governance Committee uses a variety of sources to identify a diverse pool of potential candidates. Sources include board members, members of management, independent consultants and shareowner recommendations. Prospective candidates are evaluated after taking into account feedback from consultants, management and board members, candidate background and qualification reviews, and open discussions between the Nominating and Corporate Governance Committee and the full board. This process allows for **active and ongoing consideration** of potential directors with a **focus on long-term** Company strategy.

3. **Shortlisted Candidates**

The Nominating and Corporate Governance Committee maintains a diverse list of potential director candidates according to desired skills, experiences and backgrounds. The list is reviewed at each Nominating and Corporate Governance Committee meeting and updated as appropriate. Each candidate is evaluated to ensure that existing and planned future commitments would not materially interfere with expected board responsibilities.

4. **Recommendation, Nomination and Election**

Candidates recommended by the Nominating and Corporate Governance Committee and approved by the board are nominated for election. **Directors are elected annually.**

Result: 5 new independent directors added since 2020; 42% director refreshment since 2020.

Shareowner Recommendations

Shareowner recommended director candidates are considered on the same basis as recommendations from other sources. Shareowners can recommend a candidate by writing to the UPS Corporate Secretary, 55 Glenlake Parkway, N.E., Atlanta, Georgia 30328. Submissions must contain the prospective candidate's name and a detailed description of the experience, qualifications, attributes and skills that make the individual a suitable director candidate.

Board Leadership Structure

Based on the periodic evaluation and recommendation of the Nominating and Corporate Governance Committee, the board determines the most appropriate board leadership structure, including who should serve as Board Chair, and whether the roles of Board Chair and CEO should be separated or combined. In making this determination, the board evaluates a number of factors, including professional experience, operational responsibilities and corporate governance developments.

In October 2020, in connection with Carol Tomé's election as CEO, the board determined that it was in the best interests of the Company to enable Carol to focus on leading the Company, and separated the roles of Board Chair and CEO. Bill Johnson, who had been serving as our independent Lead Director, was appointed Board Chair.

Bill has served on our board since 2009 and served as independent Lead Director from 2016 until October 2020. He has deep institutional knowledge of the Company and provides strong continuity of leadership. He devotes significant time to understanding our business and communicating with the CEO, and other directors, between meetings. He draws on his extensive knowledge of our business, industry, strategic priorities and competitive developments to set the board's agendas in collaboration with the CEO, and he seeks to ensure that board meetings are productive and interactions with the directors facilitate a useful exchange of viewpoints. Bill's value to the board is underscored by the board's decision to extend his tenure beyond the board's mandatory retirement age of 75; in connection with our director nomination process, the board determined to grant Bill a one-year waiver from that requirement so that he can continue to lead the board.

Carol is available to all directors between meetings and meets regularly with the Board Chair, and with the directors individually and as a group, to receive feedback from the board. Bill's collaboration with Carol allows the board to focus attention on the issues of greatest importance to the Company and its shareowners and our CEO to focus primarily on leading the Company.

Furthermore, all the members of each of the Audit Committee, the Compensation and Human Capital Committee, the Nominating and Corporate Governance Committee and the Risk Committee are independent. Each committee is led by a chairperson who sets the meeting agendas and reports to the full board on the committee's work. Additionally, the independent directors meet in executive session without management present at each board meeting, as described below.

Executive Sessions of Independent Directors

Directors hold executive sessions without management present at each regular board meeting. The Board Chair determines the agenda and presides at each session. The Board Chair generally invites the CEO to join a portion of the executive session to receive feedback from the board and when deemed appropriate otherwise. In addition, throughout the year the Board Chair meets individually with each director to discuss issues that are important to the board and to solicit and provide further feedback.

Board and Committee Evaluations

The board's performance is critical to our long-term success and the protection of stakeholders' interests. The board employs both an ongoing informal and a formal annual process to evaluate its performance and the contributions of individual directors to the successful execution of the board's obligations. The Board Chair frequently considers the performance of the board and the board's committees and has informal discussions about individual director contributions to the board. The Board Chair shares feedback from these discussions with the full board and with individual board members. In addition, during 2023 the Board Chair met individually with each director to discuss overall board effectiveness and performance, individual director time commitments and potential 2024 board agenda items.

Formal Evaluation Process

1. **Detailed Formal Annual Evaluation Process**

The Board of Directors, Audit Committee, Compensation and Human Capital Committee, Nominating and Corporate Governance Committee, and Risk Committee each conduct an annual self-assessment. The Nominating and Corporate Governance Committee oversees the annual board assessment process and the implementation of the annual committee self-assessments.

2. **Questionnaires**

All board and committee members complete a detailed confidential questionnaire each year. The questionnaire provides for quantitative ratings in key areas, including overall board effectiveness, meeting effectiveness, access to information, information format, board committee structure, access to management, succession planning, meeting dialogue, communication with the CEO, operational reporting, financial oversight, capital structure and financing, capital spending, long-term strategic planning, risk oversight, crisis management and time management. The questionnaire also allows directors to provide written feedback and make detailed anonymous comments. In 2023, the Company engaged a new, independent third party to administer and report on the evaluations.

3. **Review**

The results of the committee self-assessments are reviewed by each committee and discussed with the full board. The Nominating and Corporate Governance Committee Chair reviews the results of committee self-assessments and discusses the responses with the chairs of the other board committees as appropriate. The Nominating and Corporate Governance Committee Chair also reviews and discusses the board evaluation results with the full board.

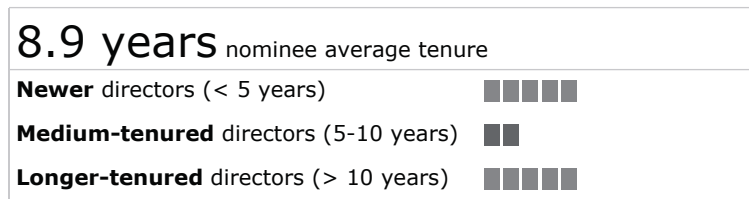
4. **Follow-up**

Matters requiring follow-up are addressed by the Nominating and Corporate Governance Committee Chair or the chairs of the other committees as appropriate.

Result:

Feedback from these evaluations has led to several improvements in board functionality in recent periods, including changes to the format and delivery of board meeting materials, board meeting agendas and recurring topics, strategic planning and oversight, director recruitment practices and orientation, allocation of responsibilities among the board's committees and succession planning.

Board Refreshment and Succession



The Nominating and Corporate Governance Committee regularly evaluates board composition and necessary skills as our business evolves over time. We seek a balance of knowledge and experience that comes from longer-term board service with new ideas and perspectives that can come from newer directors. Since 2020, we have added five new directors, and have had four directors retire. The average tenure of the director nominees reflects an appropriate balance between different perspectives brought by newer and long-serving directors.

Board Oversight of Strategic Planning

The board’s responsibilities include oversight of strategic planning. Effective oversight requires a high level of constructive engagement between management and the board. The board leverages its substantial experience and expertise and is fully engaged in the Company’s strategic planning process. Management develops and prioritizes strategic plans on an annual basis. Management then reviews these plans with the board on an annual basis, along with the Company’s challenges, opportunities, industry dynamics, and legal, regulatory and governance developments, and other significant strategic matters.

Management provides the board comprehensive updates throughout the year regarding progress on the Company’s strategic plans. Management also provides regular updates regarding the achievement of the Company’s financial and other goals. In addition, the CEO communicates regularly with the board on important business opportunities, financial and operational performance matters, risks and other developments such as sustainability, human capital, labor and customer relations, both during and outside the regular board meeting cycle.

Management Development and Succession Planning

Succession planning and talent development are important at all levels within our organization. The board oversees management’s emergency and long-term succession plans at the executive officer level, most importantly the CEO position. The board annually reviews succession plans for senior management including the CEO, all in the context of the Company’s overall business strategy and with a focus on risk management. More broadly, the board and the Compensation and Human Capital Committee are regularly updated on key talent indicators for the overall workforce, including diversity, recruiting and development programs.

The board’s succession planning activities are ongoing and strategic and are supported by board committees and independent third-party consultants as needed. In addition, the CEO annually provides an assessment to the board of senior leaders and their potential to succeed at key senior management positions. As a part of this process, potential leaders interact with board members through formal presentations and during informal events.

We also utilize a formal director engagement program in which directors meet with individual executive officers, visit Company operations, participate in employee events and receive in-depth subject matter updates outside of the regular board meeting process. These additional engagements encourage the ongoing exchange of ideas and information between directors and management, facilitate the board’s oversight responsibilities, and support management development and succession planning efforts.

Risk Oversight

Board of Directors

Risk management oversight is an essential board responsibility. The board regularly discusses our most significant risks and how these risks are being managed. The Company's enterprise risk management process is designed to identify potential events that may affect the achievement of the Company's objectives or have a material adverse effect on the Company. The board reviews periodic assessments from this process and participates in the Company's annual enterprise risk survey. The board has delegated to its standing committees specific risk oversight responsibilities as set out below and receives regular reports from the committees on appropriate areas of risk management.

Risk Committee	Audit Committee	Compensation and Human Capital Committee	Nominating and Corporate Governance Committee
Oversees management's identification and evaluation of strategic enterprise risks, including risks associated with intellectual property, operations, privacy, technology, information security, cybersecurity and cyber incident response, and business continuity.	Oversees policies with respect to financial risk assessment, including guidelines to govern the process by which major financial and accounting risk assessment and management is undertaken.	Considers risks associated with compensation policies and practices, with respect to both executive compensation and compensation generally, and considers other human capital risks.	Considers risks related to succession planning, political contributions and lobbying, sustainability and stakeholder engagement matters, among others.

The Company's Chief Legal and Compliance Officer, Chief Digital and Technology Officer, Chief Information Security Officer, and Vice President of Compliance and Internal Audit each meet individually with the Risk Committee on a regular basis. The Chair of the Risk Committee also meets frequently with the Chief Digital and Technology Officer between meetings.

The Risk Committee updates the board annually on the Company's enterprise risk management survey and risk assessment results. The board provides feedback to the Company about significant enterprise risks and assesses the Company's identification of its most significant risk areas. The Risk Committee also coordinates with the Audit Committee, including through periodic joint meetings, to enable the Audit Committee to perform its risk related responsibilities. The Risk Committee oversees the Company's approach to cybersecurity risk assessment and mitigation by, among other things:

- reviewing the Company's cybersecurity insurance program;
- reviewing at least annually the Company's cybersecurity budget;
- discussing the results of various internal cybersecurity audits and periodic independent third-party assessments of the Company's cybersecurity programs;
- being briefed on cybersecurity matters by outside experts; and
- receiving regular updates from the Company's Chief Information Security Officer ("CISO") and others on cybersecurity risks, operational metrics, compliance and regulatory developments, training programs, risk mitigation activities, key projects and industry developments.

The Company's Chief Legal and Compliance Officer, Chief Digital and Technology Officer, CISO and Vice President of Compliance and Internal Audit participate in Risk Committee meetings and meet individually with the Risk Committee on a periodic basis to discuss and address relevant matters, including the Company's approach to cybersecurity risk assessment and mitigation.

The Audit Committee has additional risk assessment and risk oversight responsibilities, specifically with respect to financial risk assessment. The Chief Legal and Compliance Officer, CEO, Chief Financial Officer and Vice President of Compliance and Internal Audit each meet individually with the Audit Committee on a regular basis.

In addition, the Company's Chief Legal and Compliance Officer reports directly to our CEO, providing visibility into the Company's risk profile. The board believes that the work undertaken by its committees, together with the work of the full board and the Company's senior management, enables effective oversight of the Company's management of risk.

Stakeholder Engagement

Maintaining open and ongoing dialogs with key stakeholders is an important component of our corporate culture. Our management team participates in numerous investor meetings throughout the year to discuss our business, strategy and financial results. This includes in-person, telephone and webcast conferences, as well as key site visits.

In addition, each year we undertake an ESG stakeholder outreach program in which we discuss progress on our ESG journey. This year we contacted holders of over 47% of our class B common stock as a part of this program. Engagement provides us with the opportunity to understand issues of significant importance to stakeholders and to receive feedback on our practices and disclosures. Similarly, it provides us with an opportunity to discuss how management believes its actions are aligned with long-term value creation.

We also proactively correspond with other key stakeholders throughout the year. We share feedback from our financial and ESG engagements with the board, the Compensation and Human Capital Committee, and the Nominating and Corporate Governance Committee as appropriate.



We consider the views of our shareowners and other stakeholders when evaluating our ESG policies and practices; for example, in recent years we have:

- Announced a number of environmental, social and human capital goals, including a carbon neutral by 2050 goal;
- Accelerated our sustainability reporting;
- Increased disclosures around individual director racial, ethnic and gender diversity;
- Increased our commitments to diversity, equity and inclusion, volunteerism and charitable giving;
- Separated the Board Chair and CEO roles;
- Appointed an independent Board Chair;
- Increased board diversity;
- Expanded reporting on lobbying activities;
- Revised the Risk Committee charter to specifically identify cybersecurity oversight responsibilities;
- Revised the Nominating and Corporate Governance Committee charter to include oversight of environmental sustainability matters and risks; and
- Revised the Compensation and Human Capital Committee charter to include oversight of performance and talent management, diversity, equity and inclusion, work culture and employee development and retention.



The Compensation and Human Capital Committee considers shareowner feedback, along with the market information and analysis provided by its independent compensation consultant, when making decisions about our executive compensation programs. We have:

- Updated the peer group for executive and director compensation market comparisons;
- Enhanced the competitiveness of our performance-based annual compensation program;
- Eliminated single-trigger equity vesting following a change in control;
- Added relative total shareowner return as a component of our Long-Term Incentive Plan awards;
- Reevaluated performance metrics under incentive compensation plans for proper design to incent towards long-term Company value creation;
- Provided additional detail around the performance measures used for our annual and long-term incentive plans;
- Adopted a mandatory incentive compensation clawback policy applicable to executive officers;
- Approved the return to a single, annual goal setting process for annual incentive program design; and
- Added an individual payout cap to our annual incentive plan.

Political Engagement

Overview

Responsible participation in the political process is important to our success and the protection and creation of shareowner value. We participate in this process in accordance with good corporate governance practices. Our Political Engagement Policy (“policy”) is summarized below and is available at www.investors.ups.com. In addition, as a component of our ongoing governance evaluation process, we recently expanded our reporting around lobbying and trade association memberships.

- The Nominating and Corporate Governance Committee oversees the policy;
- Corporate political contributions are restricted;
- We publish a semi-annual political engagement report on our investor relations website; and
- Eligible employees can make political contributions through a Company-sponsored political action committee (“UPSPAC”). UPSPAC is organized and operated on a voluntary, nonpartisan basis and is registered with the Federal Election Commission.

Oversight and Processes

Political contributions are made in a legal, ethical and transparent manner that best represents the interests of stakeholders. Political and lobbying activities require prior approval of the UPS Public Affairs department and are subject to review (and in some cases prior approval) by the Nominating and Corporate Governance Committee.

Senior management works with Public Affairs on furthering our business objectives and protecting and enhancing shareowner value. The Chief Corporate Affairs and Sustainability Officer reviews political and lobbying activities and regularly reports to the board and the Nominating and Corporate Governance Committee.

Lobbying and Trade Associations

Public Affairs coordinates our lobbying activities, including engagements with federal, state, and local governments. UPS is also a member of a variety of trade associations that engage in lobbying. Lobbying activities require prior approval of Public Affairs.

The Nominating and Corporate Governance Committee regularly reviews UPS’s participation in trade associations that engage in lobbying to determine if our involvement is consistent with UPS business objectives and whether participation exposes the Company to excessive risk.

Lobbying activities are governed by comprehensive policies and practices designed to facilitate compliance with laws and regulations, including those relating to the lobbying of government officials, the duty to track and report lobbying activities, and the obligation to treat lobbying costs and expenses as nondeductible for tax purposes.

Political Activity Transparency

We believe in transparency in our political activities. We publish semi-annual political engagement reports, which are reviewed and approved by the Nominating and Corporate Governance Committee. The reports provide:

- Amounts and recipients of any federal and state Company political contributions in the U.S. (if any such expenditures are made);
- The names of trade associations that receive \$50,000 or more and that use a portion of the payment for political contributions; and
- The names of trade associations or other organizations that draft model legislation that received \$25,000 or more in membership dues from UPS in a given year, and the percentage of dues used for lobbying purposes. These disclosures were recently added as a governance enhancement based on stakeholder feedback.

Our most recent report is available on our investor relations website at www.investors.ups.com. We also publicly file a federal Lobbying Disclosure Act Report each quarter, providing information on activities associated with influencing legislation through communications with any member or employee of a legislative body, or with any covered executive branch official. This report discloses expenditures for the quarter, describes the specific pieces of legislation that were the topic of communications, and identifies the individuals who lobbied on behalf of UPS. We file similar publicly available periodic reports with state agencies reflecting state lobbying activities.

Sustainability

We are the world's premier package delivery company and a leading provider of global supply chain management solutions. We offer a broad range of industry-leading products and services through our extensive global presence. Our services include transportation and delivery, distribution, contract logistics, ocean freight, air freight, customs brokerage and insurance.

We operate one of the largest airlines and one of the largest fleets of alternative fuel vehicles under a global UPS brand that stands for quality and reliability. We deliver packages each business day for approximately 1.6 million shipping customers to 10.2 million delivery recipients in over 200 countries and territories. In 2023, we delivered an average of 22.3 million packages per day, totaling 5.7 billion packages during the year. Our success depends on economic stability, global trade and a society that welcomes opportunity. We understand the importance of acting responsibly as a business, an employer and a corporate citizen.

The board considers key economic, environmental and social sustainability risks and opportunities as part of its involvement in and oversight of UPS's strategic planning. The board also regularly reviews the effectiveness of our risk management and due diligence processes related to material sustainability topics. In executing its responsibilities, the board recently delegated oversight of environmental sustainability matters to the Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee monitors the development, implementation, and progress of the Company's environmental sustainability goals and regularly reports on those matters to the board. Authority for day-to-day management of sustainability matters has been delegated to management. Our Chief Corporate Affairs and Sustainability Officer reports directly to the Company's CEO and regularly reports to the board regarding sustainability strategies, priorities, goals and performance. In addition, the board is regularly briefed on issues of concern for customers, unions, employees, retirees, investors, governmental entities and other stakeholders. For additional information on board oversight, see page 14.

Each year we publish corporate sustainability reports showcasing the goals, recent achievements and challenges of our commitment to balancing the economic, environmental and social aspects of our business. In response to stakeholder interest, we have recently accelerated the timing of these reports to provide stakeholders with more current information in advance of our Annual Meeting. These reports are available at <https://about.ups.com/us/en/social-impact/reporting.html>. Our sustainability goals are aspirational and may change. Statements regarding our goals are not guarantees or promises that they will be met.

Human Capital Management

Our success is dependent upon our people, working together with a common purpose. As we seek to capture new opportunities and pursue growth, we believe that transforming the UPS employee experience is foundational to our success. This requires a thoughtful balance between the culture we have cultivated over the years and the new perspectives we need to take the business into the future. We believe that UPS employees are among the most motivated and highest-performing in the industry, and provide us a competitive advantage. To assist with employee recruitment and retention, we continue to review the competitiveness of our employee value proposition, including benefits and pay, training, talent development and promotion opportunities.

We have approximately 500,000 employees (excluding temporary seasonal employees), of which 414,000 are in the U.S. and 86,000 are located internationally. Our global workforce includes approximately 85,000 management employees (42% of whom are part-time) and 415,000 hourly employees (48% of whom are part-time). More than 70% of our U.S. employees are represented by unions, primarily those employees handling or transporting packages. Many of these employees are employed under a national master agreement and various supplemental agreements with local unions affiliated with the International Brotherhood of Teamsters ("Teamsters"). In the third quarter of 2023, the Teamsters fully ratified a new national master agreement that expires July 31, 2028. In addition, approximately 3,300 of our pilots are represented by the Independent Pilots Association ("IPA"). Our agreement with the IPA becomes amendable September 1, 2025.

Oversight and management

We seek to create an inclusive and equitable environment that brings together a broad spectrum of backgrounds, cultures and stakeholders. We believe leveraging diverse perspectives and creating inclusive environments improves our organizational effectiveness, cultivates innovation, and drives growth.

Our board, directly and through the Compensation and Human Capital Committee, is responsible for oversight of human capital matters. Effective oversight is accomplished through a variety of methods and processes including regular updates and discussions around human capital transformation efforts, technology initiatives impacting the workforce, health and safety matters, employee survey results related to culture and other matters, hiring and retention, employee demographics, labor relations and contract negotiations, compensation and benefits, succession planning and employee training initiatives.

In addition, the Compensation and Human Capital Committee charter has been expanded to include oversight responsibility for performance and talent management, diversity, equity and inclusion, work culture and employee development and retention. We believe the board's oversight of these matters helps identify and mitigate exposure to labor and human capital management risks, and is part of the broader framework that guides how we attract, retain and develop a workforce that aligns with our values and strategies.

Total rewards

We offer competitive compensation and benefits. In addition, our long history of employee stock ownership aligns the interests of our management team with shareowners. In the U.S., benefits provided to our non-union employees typically include:

- comprehensive health insurance coverage;
- life insurance;
- short- and long-term disability coverage;
- child/elder care spending accounts;
- work-life balance programs;
- an employee assistance program; and
- a discounted employee stock purchase plan.

We invest in our people by offering a range of other benefits, such as paid time off, retirement plans, and education assistance. In the U.S., these other benefits are generally provided to non-union employees without regard to full-time or part-time status.

Employee health and safety

We seek to provide industry-leading employee health, safety and wellness programs across our workforce. UPS's Comprehensive Health and Safety Program ("CHSP") is an occupational health and safety system tailored to our varied operational environments. Our CHSP covers a wide array of roles, from package handling to administration, and spans geographical boundaries to include sorting facilities, mobile logistics, administrative offices, and other locations worldwide. UPS conducts audits to assess specific risks and hazards, including equipment safety, workplace environment, and emergency response protocols. We monitor our safety performance through various measurable targets, including lost time injury frequency and the number of recorded auto accidents.

Collective bargaining

We bargain in good faith with the unions that represent our employees. We frequently engage union leaders at the national level and at local chapters throughout the U.S. We participate in works councils and associations outside the U.S., which allows us to respond to emerging issues abroad. This work helps our operations to build and maintain productive relationships with our employees. For additional information on the union membership of our employees, see "Human Capital Management" above.

Majority Voting and Director Resignation Policy

Our Bylaws provide for majority voting in uncontested director elections. The number of votes cast for a nominee must exceed the number of votes cast against that person. Any incumbent director who does not receive a majority of the votes cast must offer to resign from the board.

In such an event, the Nominating and Corporate Governance Committee will recommend to the board whether to accept or reject the director's offer to resign after considering all relevant factors. The board will act on the recommendation within 90 days following certification of the election results after considering all relevant information.

Any director who offers to resign must recuse himself or herself from the board vote, unless the number of independent directors who were successful incumbents is fewer than three. The board will promptly disclose its decision regarding any director's offer to resign, including its reasoning. If the board determines to accept a director's offer to resign, the Nominating and Corporate Governance Committee will recommend whether and when to fill such vacancy or whether to reduce the size of the board.

Board Meetings and Attendance

The board held seven meetings during 2023. Also during 2023, the Audit Committee met nine times, the Compensation and Human Capital Committee met six times, the Nominating and Corporate Governance Committee met four times and the Risk Committee met four times (including a joint meeting with the Audit Committee). Prior to meetings, the Board Chair and the committee chairs work with management to determine and prepare agendas for the meetings.

Board meetings generally occur over two days. Board committees generally meet on the first day, followed by the board meeting. The second day typically consists of reports from each committee chair to the full board, additional presentations by internal business leaders or others with expertise in various subject matters, and an executive session consisting of only independent board members.

All directors attended at least 75% of the total number of board and any committee meetings of which he or she was a member in 2023. Our directors are expected to attend each annual shareowner meeting, and all directors attended the 2023 Annual Meeting. The independent directors met in executive session at all board meetings held in 2023.

Code of Business Conduct

We are committed to conducting our business in accordance with the highest ethical principles. Our Code of Business Conduct is applicable to anyone who represents UPS, including our directors, executive officers and all other employees and agents of UPS. A copy of our Code of Business Conduct is available on our investor relations website at www.investors.ups.com.

Conflicts of Interest and Related Person Transactions

Our Audit Committee is responsible for overseeing our Code of Business Conduct, which includes policies regarding conflicts of interest. The Code requires employees and directors to avoid conflicts of interest, defined as situations where the person's private interests conflict, or may appear to conflict, with the interests of UPS.

We maintain a written related person transactions policy that applies to any transaction or series of transactions in which: (1) the Company or any of its subsidiaries is a participant; (2) any "related person" (executive officer, director, greater than 5% beneficial owner of the Company's common stock, or an immediate family member of any of the foregoing) 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.

The policy provides that related person transactions that may arise during the year are subject to the Audit Committee's reasonable prior approval. 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 Audit Committee's next regularly scheduled meeting. In determining whether to approve or ratify a transaction, the Audit Committee will

consider, 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 circumstance, the extent of the related person's interest in the transaction, whether the transaction would impair independence of a non-employee director and whether there is a business reason for UPS to enter into the transaction. A copy of the policy is available on our investor relations website at www.investors.ups.com. The Company did not engage in any related person transactions since January 1, 2023 that require disclosure in this Proxy Statement or under the Company's policy.

At least annually, each director and executive officer completes a questionnaire in which they are required to disclose any business relationships that may give rise to a conflict of interest, including transactions where UPS is involved and where an executive officer, a director or a related person has a direct or indirect material interest. We also review the Company's financial systems and any related person transactions to identify potential conflicts of interest. The Nominating and Corporate Governance Committee reviews a summary of this information and makes recommendations to the Board of Directors regarding each board member's independence.

We have immaterial ordinary course of business transactions and relationships with companies with which our directors are associated. The Nominating and Corporate Governance Committee reviewed the transactions and relationships that occurred since January 1, 2023 and believes they were entered into on terms that are both reasonable and competitive and did not affect director independence. Additional transactions and relationships of this nature may be expected to take place in the ordinary course of business in the future.

Transactions in Company Stock

We prohibit our executive officers and directors from hedging or pledging their ownership in UPS stock. Specifically, they are prohibited from purchasing or selling derivative securities relating to UPS stock and from purchasing financial instruments that are designed to hedge or offset any decrease in the market value of UPS securities. Furthermore, our employees, officers and directors are prohibited from engaging in short sales of UPS stock.

Corporate Governance Guidelines and Committee Charters

Our Corporate Governance Guidelines and the charters for each of the board's committees are available on our investor relations website at www.investors.ups.com. Each committee reviews its charter annually. In addition, the Nominating and Corporate Governance Committee reviews our Corporate Governance Guidelines annually and recommends any changes to the board for approval. When amending our committee charters or Corporate Governance Guidelines, we consider current governance trends and best practices, changes in regulatory requirements, advice from outside sources and input from stakeholders.

Communicating with the Board of Directors

Stakeholders may communicate directly with the board, with the non-management directors as a group, or with any specific director, by writing to the UPS Corporate Secretary, 55 Glenlake Parkway, N.E., Atlanta, Georgia 30328. Please specify to whom your letter should be directed. After review by the Corporate Secretary, appropriate communications will be forwarded to the addressee. Advertisements, solicitations for business, requests for employment, requests for contributions, matters that may be better addressed by management or other inappropriate materials will not be forwarded.

Our Board of Directors

Proposal 1 — Director Elections

What am I voting on? Election of each of the 12 named director nominees to hold office until the 2025 Annual Meeting and until their respective successors are elected and qualified.

Board's Recommendation: Vote **FOR** the election of each nominee.

Vote Required: A director will be elected if the number of votes cast for that director exceeds the number of votes cast against that director.

The board has nominated the individuals named below for election as directors at the Annual Meeting. All nominees were elected by shareowners at our last Annual Meeting. If elected, all nominees are expected to serve until the next Annual Meeting and until their respective successors are elected and qualified. If any nominee is unable to serve as a director, the board may reduce the number of directors that serve on the board or choose a substitute nominee. Any nominee who is currently a director, and for whom more votes are cast against than are cast for, must offer to resign from the board.

As a group, our director nominees, all of whom are currently directors, effectively oversee and constructively challenge management's performance in the execution of our strategy. Our directors' broad professional skills and experiences contribute to a wide range of perspectives in the boardroom. The Nominating and Corporate Governance Committee regularly assesses the skills and experience necessary for our board to function effectively and considers where additional expertise may be needed.

Diversity with respect to gender, age, ethnicity, skills, experience, perspectives, and other factors is a key consideration when identifying and recommending director nominees. Diversity in our boardroom supports UPS's continued success. While we do not have a formal policy on board diversity, our Corporate Governance Guidelines emphasize diversity, and the Nominating and Corporate Governance Committee actively considers and assesses diversity in recruitment and nominations of director candidates through periodic board composition evaluations.

Our Corporate Governance Guidelines provide that an individual should not be eligible for nomination or election as a director of the Company after he or she reaches the age of 75 (the "retirement age requirement"). After taking into account the value our Board Chair Bill Johnson provides to the board through, among other things, his tenure, leadership roles, extensive knowledge of our business, industry, strategic priorities and competitive developments he uses to set the board's agendas in collaboration with the CEO, and his relationships with our executives, the board (other than Bill) determined it was in the best interests of the Company and its shareowners to grant Bill a one-year waiver from the retirement age requirement so that he can continue to lead the board.

Biographical information about the director nominees appears below, including information about the experience, qualifications, attributes, and skills considered by our Nominating and Corporate Governance Committee and board in determining that the nominee should serve as a director, and director demographics. For additional information about how we identify and evaluate nominees for director, see page 10.

Director Nominee Skills, Experience and Diversity

Highlights

92% Independent

61.6 years Average age

8.9 years Average tenure

42% Female

33% Ethnically diverse

Skills and Experience / Attributes	R. Adkins	E. Boratto	M. Burns	W. Hewett	A. Hwang	K. Johnson	W. Johnson	F. Moison	C. Smith Shi	R. Stokes	C. Tomé	K. Warsh
CEO			•	•		•	•				•	
CFO		•									•	
Consumer / Retail		•					•	•	•		•	
Digital Technology	•					•			•		•	
Geopolitical Risk								•				•
Global / International			•	•	•		•	•	•			•
Healthcare		•		•	•							
Human Capital Management						•	•			•		
Operational			•	•	•	•	•	•	•	•		
Risk / Compliance / Government	•	•								•	•	•
Sales / Marketing						•	•	•	•	•		
Small and Medium-Sized Businesses		•		•		•				•		
Supply Chain Management	•			•	•		•	•	•			
Technology / Technology Strategy	•		•			•				•		
Other Public Company Board Service	•			•		•	•	•	•		•	•
Race / Ethnicity												
Asian / Asian American					•							
Black / African American	•			•						•		
White		•	•			•	•	•	•		•	•
Gender												
Female		•			•	•			•		•	
Male	•		•	•			•	•		•		•

Director Nominee Biographical Information



Carol Tomé

UPS Chief Executive Officer

Age: 67

Director since 2003

Board Committee

Executive (Chair)

Career

Carol was appointed UPS's Chief Executive Officer effective June 2020. As CEO, Carol has primary responsibility for managing the Company's day-to-day operations, and for developing and communicating our strategy. She was Chief Financial Officer of The Home Depot, Inc., one of the world's largest retailers, from 2001; and Executive Vice President Corporate Services from 2007 until her retirement in 2019. At The Home Depot, she provided leadership in the areas of real estate, financial services and strategic business development. Her corporate finance duties included financial reporting and operations, financial planning and analysis, internal audit, investor relations, treasury and tax. She previously served as Senior Vice President Finance and Accounting and Treasurer from 2000 until 2001; and from 1995 until 2000 she served as Vice President and Treasurer. Carol serves on the Board of Directors of Verizon Communications, Inc. and served on the Board of Directors of Cisco Systems, Inc. until 2020.

Reasons for election

Carol has a thorough understanding of our strategies and operations as a result of serving as Chief Executive Officer, and from her extensive experience gained from serving on the board and as Chair of the Audit Committee prior to becoming Chief Executive Officer. She has an in-depth knowledge of logistics and has broad experience in corporate finance and risk and compliance gained throughout her career at The Home Depot. She brings the experience of having served as Chief Financial Officer of a complex, multi-national business with a large, labor intensive workforce. Carol also has experience with strategic business development, including e-commerce strategy.



Rodney Adkins

Former Senior Vice President, International Business Machines Corporation

Age: 65

Director since 2013

Board Committees

Risk (Chair)

Compensation and Human Capital

Executive

Career

Rod is President of 3RAM Group LLC, a private company specializing in capital investments, business consulting and property management services. Prior to that role, Rod served as IBM's Senior Vice President of Corporate Strategy before retiring in 2014. Rod was previously IBM's Senior Vice President, Systems and Technology Group, a position he held since 2009, and senior vice president of STG development and manufacturing, a position he held since 2007. In his over 30-year career with IBM, a multinational technology company, Rod held several other development and management roles, including general management positions for the PC Company, UNIX Systems and Pervasive Computing. Rod currently serves as non-executive Chairman of Avnet, Inc., in addition to serving on the Boards of Directors of PayPal Holdings, Inc. and W.W. Grainger, Inc. He retired from the Board of Directors of PPL Corporation in 2019.

Reasons for election

As a senior executive of a public technology company, Rod gained a broad range of experience, including in emerging technologies and services, global business operations, and supply chain management. He remains a recognized leader in technology and technology strategy. Rod devotes significant time and attention to his roles as a board member and Risk Committee Chair. In addition, the board benefits from Rod's experience serving as a director of other publicly traded companies.



Eva Boratto

Chief Financial Officer, Bath & Body Works, Inc.

Age: 57

Board Committee

Director since 2020

Audit (Chair)

Career

Eva has served as the Chief Financial Officer of Bath & Body Works, Inc., a leader in personal care and home fragrances, since August 2023. She previously served as the Chief Financial Officer for Opentrons Labworks, Inc., a privately held life sciences company, from February 2022 until July 2023.

Eva served as Executive Vice President and Chief Financial Officer for CVS Health Corporation, a diversified health services company, from 2018 until her retirement in 2021. In this role, Eva was responsible for all aspects of the company's financial strategy and operations, including accounting and financial reporting, investor relations, mergers and acquisitions, treasury and capital planning, investments, risk management, tax, budgeting and planning, and procurement. Prior to this role, from 2017 to 2018, Eva was Executive Vice President, Controller and Chief Accounting Officer for CVS Health. She served as Senior Vice President and Chief Accounting Officer of CVS Health from 2013 to 2017. Eva joined the company in 2010 and served as Senior Vice President for pharmacy benefit management finance until 2013.

Reasons for election

Eva brings to the board extensive corporate finance experience gained throughout her career as a Chief Financial Officer at multiple companies. She also brings the experience of having served as a senior executive at a complex healthcare business with a large workforce and extensive retail presence, and at a smaller, growth oriented business, including deep knowledge of financial reporting and accounting standards. Eva also provides the board with the benefits of her experience with strategic risk management matters.



Michael Burns

Former Chairman, Chief Executive Officer and President, Dana Incorporated

Age: 72

Board Committee

Director since 2005

Audit

Career

Mike was the Chairman, President and Chief Executive Officer of Dana Incorporated, a global manufacturer of technology driveline, sealing and thermal-management products, from 2004 until his retirement in 2008. He joined Dana Incorporated in 2004 after 34 years with General Motors Company. During his tenure at General Motors, Mike held various positions of increasing responsibility, including serving as President of General Motors Europe AG from 1998 to 2004.

Reasons for election

Mike has years of senior leadership experience gained while managing large, complex businesses and leading an international organization that operated in a highly competitive industry. He also has experience in design, engineering, manufacturing, and sales and distribution. Mike also brings deep knowledge of technology and the supply of components and services to major vehicle manufacturers.



Wayne Hewett

Senior Advisor to Permira

Age: 59

Director since 2020

Board Committee

Audit

Career

Since 2018, Wayne has served as a senior advisor to Permira, a global private equity firm. As a part of his role at Permira, Wayne serves in the following capacities at Permira Funds private portfolio companies: Non-Executive Chairman of Cambrex Corporation, a leading contract developer and manufacturer of active pharmaceutical ingredients, since 2020; director of Lytx, a telematics solutions provider, since 2021; as lead director of Hexion Chemicals, a specialty chemicals and performance materials manufacturer, since 2023; and as Non-Executive Chairman of Quotient Sciences, a drug development accelerator, since 2023.

Wayne served as Chief Executive Officer and as a member of the Board of Directors of Klöckner Pentaplast Group, a leading supplier of plastic films for pharmaceutical, medical devices, food and other specialty applications, from 2015 to 2017. He also served as President and as a member of the Board of Directors, of Platform Specialty Products Corporation during 2015, and as President, Chief Executive Officer and as a member of the Board of Directors of Arysta LifeScience Corporation from 2010 to 2015. Arysta was acquired in 2015 by Platform Specialty Products Corporation. Prior to joining Arysta, he served as a senior consultant to GenNx360, a private equity firm focused on sponsoring buyouts of middle market companies. He also spent over two decades at General Electric Company, serving in a variety of executive roles. Wayne currently serves on the Boards of Directors of The Home Depot, Inc. and Wells Fargo, Inc.

Reasons for election

Wayne has extensive experience in general management, finance, supply chain, operational and international matters gained through serving in various executive roles. He has significant experience executing company-wide initiatives across large organizations, developing proprietary products, optimizing supply chains, and using emerging technologies to provide new products and services. He brings insights on business operations and risk management through his senior management roles. In addition, Wayne has valuable experience serving as a director of other publicly traded companies.



Angela Hwang

Former Chief Commercial Officer and President, Pfizer Biopharmaceuticals Business, Pfizer, Inc.

Age: 58

Director since 2020

Board Committee

Audit

Career

Angela serves as an advisor to Pfizer, Inc., a multinational pharmaceutical and biotechnology company, as that company undertakes changes in its commercial organization following the completion of an acquisition. She was a member of Pfizer’s Executive Team from 2018 to 2023 and served as Chief Commercial Officer and President of Pfizer’s Global Biopharmaceuticals Business from 2019 to 2023. In this role, Angela led Pfizer’s entire commercial business which included six different businesses reaching patients in more than 185 countries.

During 2018 she served as Group President, Pfizer Essential Health; and from 2016 to 2018 she was Global President Pfizer Inflammation and Immunology. From 1997 until that time, Angela served in various roles with increasing responsibility across all geographies and therapeutic areas, including senior roles in Pfizer Vaccines, Primary Care, and Emerging Markets.

Angela sits on the board of advisors of the Cornell Johnson School of Management.

Reasons for election

Angela has significant expertise in the healthcare sector and in managing large complex businesses, including supply chain management and logistics. She also has experience in emerging markets gained through her work across many geographies. Angela is also a strong advocate for women’s leadership and sustainable global health equity.



Kate Johnson

President and Chief Executive Officer, Lumen Technologies, Inc.

Age: 56

Board Committees

Director since 2020

Nominating and Corporate Governance
Risk

Career

Kate has served as President, CEO and a member of the board of directors of Lumen Technologies, Inc., a multinational technology company that integrates network assets, cloud connectivity, security solutions and voice and collaboration tools into one platform for businesses, since November 2022. Previously, Kate served as President of Microsoft U.S., a division of Microsoft Corporation, from 2017 until 2021. She had responsibility for Microsoft’s U.S. activities, including growing the company’s solutions, services, and support revenues.

Prior to Microsoft, she held various senior positions with GE, including Executive Vice President and Chief Commercial Officer GE Digital, from 2016 to 2017; Chief Executive Officer, GE Intelligent Platforms Software from 2015 to 2016; and Vice President and Chief Commercial Officer, from 2013 to 2015.

Reasons for election

Kate has significant public company leadership experience, including CEO experience and experience leading businesses within large companies undergoing transformation, large systems companies, and technology companies. The board benefits from her strong commercial orientation, strategic experience and technical acumen.



William Johnson

Former Chairman, President and Chief Executive Officer, H.J. Heinz Company

Age: 75

Board Committees

Director since 2009

Nominating and Corporate Governance (Chair)
Executive

Board Chair since 2020

Lead Director 2016 – 2020

Career

Bill currently serves as UPS’s Board Chair, and previously served as Chairman, President and Chief Executive Officer of H.J. Heinz Company, a global packaged foods manufacturer, from 2000 until his retirement in 2013. He became President and Chief Operating Officer of H.J. Heinz in 1996, and assumed the position of President and Chief Executive Officer in 1998. Bill serves on the Board of Directors of Sovos Brands, Inc. and he previously served on the Board of Directors of PepsiCo, Inc. until 2020.

Reasons for election

Bill has significant senior management experience gained through his years of service as the Chairman and Chief Executive Officer of H.J. Heinz, a corporation with significant international operations and a large, labor intensive workforce. He also has deep experience in operations, marketing, brand development and logistics. He served as our lead independent director from 2016 to 2020, and he has served as our independent Board Chair since 2020, during which time he has gained significant knowledge and expertise about our board functions, operations, business and strategy.



Franck Moison

Former Vice Chairman, Colgate-Palmolive Company

Age: 70

Board Committees

Director since 2017

Nominating and Corporate Governance
Risk

Career

Franck was Vice Chairman of the Colgate-Palmolive Company, a global consumer products company, from 2016 until his retirement in 2018. He led Colgate-Palmolive’s operations in Asia, South Pacific and Latin America, and he also led Global Business Development. Previously, he was Chief Operating Officer of Emerging Markets from 2010 until 2016, and he was given additional responsibility for Business Development in 2013. Beginning in 1978, Franck served in various management positions with Colgate-Palmolive, including President, Global Marketing, Global Supply Chain & R&D from 2007 to 2010; and President, Western Europe, Central Europe and South Pacific from 2005 to 2007. He serves on the Boards of Directors of Hanes Brands, Inc. and SES-imagotag in France. He is the Chairman of the International Advisory Board of the EDHEC Business School (Paris, London, Singapore) and is a member of the International Board of the McDonough School of Business at Georgetown University.

Reasons for election

Franck brings to the board extensive experience as a senior executive at a large international business. He has deep expertise in consumer product innovation, strategic marketing, acquisitions, and emerging market business development. He is a highly accomplished marketing and operating executive in the global consumer products industry. In addition, the board benefits from his extensive international board experience.



Christiana Smith Shi

Former President of Direct-to-Consumer, Nike, Inc.

Age: 64

Board Committees

Director since 2018

Compensation and Human Capital (Chair)
Risk

Career

Christiana is the founder and principal at Lovejoy Advisors, LLC, an advisory services firm that assists clients with digitally transforming consumer and retail businesses. She was the President, Direct-to-Consumer, for Nike, Inc., a global apparel company, from 2013 until 2016. From 2012 through 2013, she was Nike’s Vice President and General Manager, Global Digital Commerce. She joined Nike in 2010 as Vice President and Chief Operating Officer, Global Direct-to-Consumer. Prior to joining Nike, Christiana spent 24 years at global management consulting firm McKinsey & Company, the last ten as a senior partner. She began her career at Merrill Lynch & Company in 1981 and served in various trading, institutional sales and investment banking roles. Christiana also serves on the Board of Directors of Columbia Sportswear Company. She served on the Boards of Directors of Williams-Sonoma, Inc. until 2019 and Mondelēz International, Inc. until 2023.

Reasons for election

Christiana brings to the board substantial experience in digital commerce, global retail operations and helping companies with transformative change. She also provides strong supply chain and cost management expertise in the global consumer industry. She gained experience advising senior executives at consumer companies across North America, Europe, Latin America and Asia on leadership and strategy, and provides extensive public company board experience.



Russell Stokes

President and Chief Executive Officer Commercial Engines and Services, GE Aerospace

Age: 52

Board Committees

Director since 2020

Compensation and Human Capital

Nominating and Corporate Governance

Career

Russell is President and Chief Executive Officer, Commercial Engines and Services, GE Aerospace, a world-leading provider of jet engines, components and integrated systems for commercial and military aircraft, and a provider of services to support these offerings. He has served in these roles since July 2022 and is responsible for an industry-leading portfolio of engines and services. Russell previously served as President and CEO of GE Aviation Services from 2020 until 2022, where he was responsible for commercial growth, operating performance and customer experience across its global Overhaul and Repair footprint. Prior to this role, Russell was president and CEO of GE Power Portfolio from 2019 to 2020, GE Power from 2017 to 2019, GE Energy Connections from 2015 to 2017, and GE Transportation from 2013 to 2015. He has held other senior roles at GE Transportation and GE Aviation. Russell joined GE in 1997 as part of GE's Financial Management Program.

Reasons for election

During his more than 25-year career at GE, Russell has gained deep finance and operating experience through navigating multiple industries, business segments, and market cycles. He brings to the board extensive experience in transforming businesses by moving complex business issues into focused, targeted actions for improvement. He also provides experience in developing solutions and technology required to successfully implement business strategies.

Kevin Warsh

Former Member of the Board of Governors of the Federal Reserve System, Distinguished Visiting Fellow, Hoover Institution, Stanford University

Age: 53

Board Committees

Director since 2012

Compensation and Human Capital

Nominating and Corporate Governance

Career

Kevin serves as the Shepard Family Distinguished Visiting Fellow in Economics at Stanford University's Hoover Institution, a public policy think tank, and as a Dean's Visiting Scholar and lecturer at Stanford's Graduate School of Business. He also serves as partner at Duquesne Family Office LLC and is a member of the Group of Thirty (G30) and the Panel of Economic Advisers of the Congressional Budget Office (CBO). He was a member of the Board of Governors of the Federal Reserve from 2006 until 2011. From 2002 until 2006, Kevin served at the White House as President George W. Bush's special assistant for economic policy and as executive secretary of the National Economic Council. Kevin was previously employed by Morgan Stanley & Co., eventually serving as vice president and executive director of the Mergers and Acquisitions department. He also serves on the Board of Directors of Coupang, Inc.

Reasons for election

Kevin offers the board extensive experience in understanding and analyzing the economic environment, the financial marketplace and monetary policy. He has a deep understanding of the global economic and business environment. Kevin also provides the experience of working in the private sector for a leading investment bank gained during his tenure at Morgan Stanley & Co.

