



2025 | GRI

Global Reporting Initiative

January 1, 2025 - December 31, 2025

Cautionary Note Regarding Forward-Looking Statements

This report, our other reports and our filings with the Securities and Exchange Commission (“SEC”) contain and in the future may contain “forward-looking statements.” 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.

From time to time, we also include written or oral forward-looking statements in other publicly disclosed materials. Such statements 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 such 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: changes or continued uncertainty in general economic conditions, in the U.S. and internationally; significant competition on a local, regional, national and international basis; changes in our relationships with any of our significant customers, including as a result of our strategy to reduce volume from our largest customer or the loss or reduction in business from one or more other customers; our ability to attract and retain qualified employees; strikes, work stoppages or slowdowns by our employees; increases in operational security requirements impose substantial costs on us and we could be the target of an attack or have a security breach; a significant cybersecurity incident, increased data protection regulations, or other information technology related risks; our ability to maintain our brand image and corporate reputation; effects of global climate change; interruptions in or impacts on our business from severe weather or other natural or man-made disasters; economic, political, or social developments and other risks associated with international operations; our inability to effectively integrate acquired businesses and realize the anticipated benefits of any acquisitions, joint ventures or strategic alliances; the effects of changing fuel and energy prices, including gasoline, diesel and jet fuel, and interruptions in supplies of these commodities; changes in foreign currency exchange rates or interest rates; our ability to accurately forecast our future investment needs; further cost increases relating to employee health and retiree health and pension benefits; our ability to manage insurance and claims expenses; changes in markets and our business plans have resulted, and may in the future result, in substantial impairments of the carrying value of our assets, thereby reducing our net income; potential significant additional tax liabilities; increasingly complex and stringent laws, regulations and policies; regulations related to climate change, including reporting obligations; various other claims and lawsuits that could result in significant expenditures; 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, 2025, 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, except as required by law.

From time to time, we expect to participate in analyst and investor conferences. Materials provided or displayed at those conferences, such as slides and presentations, may be posted on our investor relations website at www.investors.ups.com under "Presentations" in the "News & Events" section when made available. These presentations may contain new material and nonpublic information about our

company. You are encouraged to monitor this site for any new posts, as we may use this mechanism as a public announcement.

Company sustainability goals are aspirational and not guarantees or promises; no assurances can be provided that any such goals will be met due to dependence on technological innovations and other available resources needed to drive environmental change, many of which are outside of our control. Statistics and metrics relating to sustainability matters are estimates and may be based on assumptions or evolving standards.

This Report

This report was prepared in accordance with the Global Reporting Initiative ("GRI") Standards for the period (January 1, 2025 to December 31, 2025). We have included in this GRI Content Index relevant data and information in accordance with the GRI Sustainability Reporting Standards (Universal Standards 2021 and the latest Topic Standards).

Management of United Parcel Service, Inc. is responsible for the completeness, accuracy and validity of the disclosures in this GRI Content Index, as of, and for the year ended, December 31, 2025.

Management is responsible for the collection, quantification and presentation of the disclosures and for the selection of the criteria which management believes provide an objective basis for measuring and reporting on the disclosures contained herein. Measurement of certain disclosures includes estimates and assumptions that are subject to inherent measurement uncertainty resulting, for example, from accuracy and precision of conversion and other factors. The selection by management of different but acceptable measurement methods, input data or assumptions may have resulted in materially different amounts or metrics being reported.

Management asserts that the disclosures in this 2025 GRI Content Index as of and for the year ended December 31, 2025 are presented in accordance with the GRI Sustainability Reporting Standards. Management engaged Deloitte & Touche LLP to perform a review (limited assurance) on management's assertion relating to the disclosures in this 2025 GRI Content Index, as well as an examination (reasonable assurance) on management's assertion relating to the Statement of Greenhouse Gas Emissions for the year ended December 31, 2025, in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA).

+ This symbol indicates that information at this link was not subject to Deloitte & Touche LLP's review, and, accordingly, Deloitte & Touche LLP does not express a conclusion or any form of assurance on such information. The audited financial statements included in the [2025 Annual Report on Form 10-K](#) were audited by Deloitte & Touche LLP and its audit report, dated February 17, 2026, is included therein.

⇒ This symbol indicates that information at this link was not subject to Deloitte & Touche LLP's review, and, accordingly, Deloitte & Touche LLP does not express a conclusion or any form of assurance on such information. For the most recent Proxy Statement, please visit our investor relations website at www.investors.ups.com.

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GRI 2: GENERAL DISCLOSURES: Organization and its reporting practices

2-1 Organizational details

United Parcel Service, Inc. ("UPS," the "Company," "we" or "our"), founded in 1907, is a global package delivery company and logistics provider. We offer a broad range of industry-leading products and services through our extensive global presence, serving over 200 countries and territories. Our services include transportation and delivery through our integrated air and ground network, distribution, contract logistics, ocean freight, airfreight, customs brokerage and insurance. In 2025, we delivered an average of 20.8 million packages per day, totaling 5.2 billion packages during the year. Total revenue in 2025 was \$88.7 billion.

UPS is an incorporated, publicly traded company, with its principal executive offices in Atlanta, GA, USA. We have a significant presence in all the world's major economies.

2-2 Entities included in the organization's sustainability reporting

The entities included in our sustainability reporting are aligned with our operational control.

UPS has two reporting segments: U.S. Domestic Package and International Package. Our remaining businesses are reported as Supply Chain Solutions. U.S. Domestic Package and International Package are together referred to as our global small package operations.

2-3 Reporting period, frequency and contact point

Unless otherwise indicated, this report presents data for the 2025 reporting year of January 1, 2025 to December 31, 2025, which is aligned to the Company's [Annual Report on Form 10-K](#) and consistent with the Company's fiscal year. We issue our sustainability reports on an annual basis. This report was published on March 13, 2026.

Please send comments or questions about this report to sustainability@ups.com or in writing to:

UPS
Attention: Sustainability
55 Glenlake Parkway NE
Atlanta, Georgia 30328

2-4 Restatements of information

UPS has not made any restatements of information from the prior year's reporting.

2-5 External assurance

The Board's Audit Committee is responsible for overseeing an independent third-party's annual assurance on this report.

Deloitte & Touche LLP was engaged to conduct an examination, in accordance with attestation standards established by the American Institute of Certified Public Accountants ("AICPA"), to provide reasonable assurance about whether management's assertion over the Statement of Greenhouse Gas Emissions for Scope 1, 2 and 3 is fairly stated in all material respects. Additionally, Deloitte & Touche LLP was engaged to conduct a review, in accordance with attestation standards established by AICPA, to provide limited assurance about whether management's assertion over the disclosures in the 2025 GRI

Content Index are fairly stated in all material respects. The assurance period was for the year ended December 31, 2025.

See Appendix A and Appendix B at the end of this report for Deloitte & Touche LLP's assurance reports.

GRI 2: GENERAL DISCLOSURES: Activities and workers

2-6 Activities, value chain and other business relationships

Total number of operations	Over 2,400 worldwide operating facilities
Quantity of products or services provided	5.2 billion packages delivered

Our services include transportation and delivery, distribution, contract logistics, ocean freight, airfreight, customs brokerage and insurance.

Our supply chain partners tend to be other service providers, rather than raw material or finished goods suppliers. Supply chain partners can be broadly grouped into three categories:

- Production Suppliers represent the majority of our total procurement spending. They provide purchased transportation services and energy to operate our global logistics network. At the region and country levels, we contract with transportation service suppliers, such as airlines, trucking companies, railroads and ocean carriers, as well as fuel suppliers. We also contract with third-party representatives that provide domestic delivery services in certain countries and territories.
- Capacity Suppliers provide equipment and facilities that we use in our operations. This includes suppliers of strategic assets, such as jet aircraft, major facilities, information technology infrastructure, and alternative fuel or advanced technology vehicles. We work with original equipment manufacturers to design and develop our ground and air fleets in a way that seeks to reduce their environmental impact.
- Support Suppliers provide standardized products and services that support our business, such as marketing, advertising, human resources, shipping materials and other professional services.

We entered into an agreement with our largest customer to significantly reduce the volume we deliver for them. We expect volume from this customer to decline to approximately 50% of year-end 2024 levels by mid-2026.

In connection with our strategic execution of planned volume declines from our largest customer, we began our Network Reconfiguration initiative, which has led and will continue to lead to consolidations of our facilities and workforce as well as an end-to-end process redesign. We launched our Efficiency Reimagined initiatives to undertake an end-to-end process redesign effort, which will align our organizational processes to the network reconfiguration. In 2025, we reduced our operational workforce by approximately 48,000 positions, including 15,000 fewer seasonal positions, and closed daily operations at 93 leased and owned buildings, 85 of which have been permanently closed. We have identified 24 buildings for closure in the first half of 2026, and we continue to review volume in our integrated air and ground network to identify additional buildings for closure. These initiatives are expected to conclude by 2027.

2-7 Employees

There were no significant variations in employees by gender or region when compared to last year.

UPS employees perform the majority of work associated with our organization's activities. We maintain a workforce of approximately 460,000 employees (excluding temporary seasonal employees), and we regularly hire a large number of part-time and seasonal workers. Employee census data, reported in headcount, is compiled in and extracted from internal systems and gathered from Subsidiaries, which are companies that have been acquired by UPS.

Total Permanent Employee Base ¹ (as of 9/30/2025)					
Absolute Number	Gender ²		Geography		Total
	Male	Female	U.S.	Outside the U.S. ³	
Full Time	207,573	42,679	188,230	62,502	250,732
Part Time	154,549	56,717	184,180	27,252	211,432
Subtotal	362,122	99,396	372,410	89,754	462,164
Other Employees ⁴	350	305	617	50	667
Total Permanent Employees	362,472	99,701	373,027	89,804	462,831

¹The majority of UPS employees are non-guaranteed hourly employees. Data reported as of 9/30/25 excludes the impact of peak season hires.

²Information about gender does not include 658 employees who do not self-identify as either male or female.

³Includes Europe, the Middle East and Africa ("EMEA"), Latin America and Canada (together "Americas") and Asia.

⁴Represents employees from the following Subsidiaries: Roadie, Happy Returns, and BPL.

Total Temporary Employee Base (as of 9/30/2025)					
Absolute Number	Gender ¹		Geography		Total
	Male	Female	U.S.	Outside the U.S.	
Temporary	5,563	1,128	228	6,497	6,725

¹Information about gender does not include 34 employees who do not self-identify as either male or female.

The Company has eight executive management members comprising its Executive Leadership Team ("ELT") and 13 supervisory members, twelve of whom are independent, non-employee members, that make up its Board.

2025 Governance Body Demographics (As of 9/30/2025)									
Governance Bodies	AGE GROUP			GENDER		Ethnicity			
	<30	30-50	>50	Male	Female	African-American	Hispanic	Asian-American	Other
Board of Directors	—%	—%	100%	61%	39%	23%	—%	8%	—%
Executive Leadership Team (ELT)	—%	25%	75%	75%	25%	13%	—%	13%	—%

2025 Statistical Snapshot of UPS Demographics ¹ (As of 09/30/2025)									
Employee Categories	AGE GROUP			GENDER ²		Ethnicity (United States) ³			
	<30	30-50	>50	Male	Female	African-American	Hispanic	Asian-American	Other
Senior/Middle Management	12%	61%	27%	72%	28%	15%	13%	7%	3%
Entry Level Management	32%	48%	20%	61%	39%	25%	20%	3%	5%
Administrative /Technical	24%	55%	21%	45%	54%	23%	13%	5%	3%
Non-management	25%	50%	25%	84%	16%	24%	20%	2%	4%
Total	24%	51%	25%	78%	22%	23%	19%	3%	4%

¹Data collected as of 9/30/25 excludes the impact of peak season hires. Does not include employees from the following Subsidiaries: Roadie, Happy Returns and BPL.

²Gender data is reported as a percentage of those individuals who have self-disclosed, which does not include 658 employees who do not self-identify as either male or female, resulting in some gender totals not equaling 100%.

³Ethnicity group restricted to U.S. employees.

To see workforce demographic information using U.S. government-mandated reporting categories, see our [EEO-1](#). ➔

2-8 Workers who are not employees

Omitted: Data on contractors, agents and third-party service providers is being tracked in multiple systems. We are currently determining the proper approach to incorporate this disclosure in the future.

GRI 2: GENERAL DISCLOSURES: Governance

2-9 Governance structure and composition

The highest governance body of the Company is the Board. Information on the composition of the Board is presented in the [Notice of 2025 Annual Meeting of Shareowners and Proxy Statement](#) ⇒ for our 2025 annual meeting of shareowners (the "[Proxy Statement](#)") ⇒ under the captions "Corporate Governance" and "Our Board of Directors." The Board has four committees, each of which is comprised entirely of independent directors as defined by the New York Stock Exchange and by our director independence standards: the Audit Committee, the Compensation and Human Capital Committee, the Nominating and Corporate Governance Committee, and the Risk Committee. The Board also has an Executive Committee that may exercise all powers of the Board in the management of the Company's business and affairs, except for those powers expressly reserved to the Board under Delaware law or otherwise limited by the Board. Additional information is presented in the [Proxy Statement](#) ⇒ under the caption "Committees of the Board of Directors."

Our Investor Relations website also includes detailed information about the responsibilities of each Board committee and other corporate governance matters at UPS, including our policies and processes. We expect to file our Notice of 2026 Annual Meeting of Shareowners and Proxy Statement with the SEC on or about March 19, 2026 (the "2026 Proxy Statement"). The 2026 Proxy Statement, when available, will contain the most current information about our governance structure and Board composition.

2-10 Nomination and selection of the highest governance body

The Board has delegated to the Nominating and Corporate Governance Committee the responsibility for reviewing and recommending nominees for membership on the Board and appointments to the Board's committees, including committee chair positions. Shareowner recommended director candidates are considered on the same basis as recommendations from other sources. The Nominating and Corporate Governance Committee is also responsible for evaluating and making recommendations to the Board as to the independence of all directors.

Additional information on the director nomination and selection process is presented in the [Proxy Statement](#) ⇒ under the caption "Selecting Director Nominees" and Board biographies under the caption "Our Board of Directors." More current information related to director nominees and selection will be contained in the 2026 Proxy Statement, when available.

2-11 Chair of the highest governance body

The Board Chair position is held by an independent member of the Board.

Additional information on our Board leadership structure is presented in the [Proxy Statement](#) ⇒ under the caption "Board Leadership Structure."

2-12 Role of the highest governance body in overseeing the management of impacts

UPS is committed to maintaining robust governance policies and practices that benefit the long-term interests of all stakeholders. 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.

The Board's oversight responsibilities include strategic planning, risk management, succession planning, human capital management, executive compensation, compliance, internal audit, sustainability, political

engagement and financial reporting. This includes oversight of climate-related matters as a part of the Company's overall business strategy.

The Board considers climate-related risks in numerous ways, including through its standing committees. The Board's Risk Committee is responsible for oversight of management's identification and evaluation of enterprise risks. Economic, environmental and social sustainability risks and opportunities are considered as part of our comprehensive enterprise risk management program. Under our enterprise risk management process, risks are identified, prioritized and assigned an owner, who is responsible for developing mitigation plans. The Risk Committee reviews these items on at least an annual basis and reports progress to the Board following their review.

The Board's Nominating and Corporate Governance Committee has additional oversight responsibility for climate-related risks and opportunities. This committee receives regular updates and discusses the Company's progress toward its sustainability-related goals, as well as the associated risks and opportunities, with feedback from these discussions shared with the full Board.

The Board's Audit Committee is responsible for overseeing an independent third-party's annual review (limited assurance) engagement on UPS management's assertion that the disclosures in this 2025 GRI Content Index as of and for the year ended December 31, 2025 are presented in accordance with the GRI Sustainability Reporting Standards, as well as an examination (reasonable assurance) on management's assertion relating to the Statement of Greenhouse Gas ("GHG") Emissions for the year ended December 31, 2025, in accordance with attestation standards established by the AICPA.

The full Board oversees the development of the Company's climate-related goals. Additionally, the Board regularly reviews the Company's risks, opportunities and progress with respect to its climate-related goals. Included as a part of this process are reviews of the Company's annual sustainability reports by the Board prior to publication.

UPS provides Board members with various opportunities to develop and enhance their knowledge of climate-related topics. For example, UPS facilitates a director engagement program in which directors meet with individual ELT members, visit Company operations, participate in employee events and receive in-depth subject matter updates outside of regular Board meetings.

2-13 Delegation of responsibility for managing impacts

The Board delegates authority for day-to-day management of the Company and its operations, including those related to climate matters, to the ELT. The Board and its committees regularly receive updates from management regarding the effectiveness of policies and procedures, progress regarding targets, risks and opportunities, global compliance standards, regulatory developments, disclosure standards and other priority climate-related topics.

The Company's Chief Sustainability Officer ("CSO") reports to the EVP and President U.S., a member of the ELT. This structure best enables alignment between operational and climate-related topics at the Company. The CSO reports quarterly to the Nominating and Corporate Governance Committee and as appropriate to other Board Committees on climate-related matters.

Additionally, efforts to monitor, assess and manage climate-related risks and opportunities are supported across the ELT. For example, the EVP and President U.S., Chief Financial Officer ("CFO") and Chief Legal and Compliance Officer co-chair the Company's Sustainability Council. The Sustainability Council meets quarterly to review progress on decarbonization initiatives, emerging climate-related disclosure issues and other climate-related matters.

Members of the Company's sustainability department lead and participate in numerous sustainability working groups throughout the Company. These efforts are focused on developing, measuring and driving progress toward UPS's sustainability goals, assessing and managing climate-related risks and

opportunities, furthering environmental innovation and engaging with stakeholders. In addition, the CSO participates in our annual stakeholder outreach program in which we contact key stakeholders and provide an opportunity to discuss our sustainability, human capital, executive compensation and governance progress and initiatives. The results of this program, including stakeholder feedback, are reported back to the Board annually.

The outcomes from these and other efforts provide a multi-layered approach facilitating UPS executives' and the Board's understanding of climate-related topics and execution of plans to manage impacts.

2-14 Role of the highest governance body in sustainability reporting

The Board oversees the development of the Company's climate-related goals. Additionally, the Board regularly reviews the Company's risks, opportunities and progress with respect to its climate-related goals. The Board also reviews and provides feedback on the Company's annual sustainability reports prior to publication. The Board's Audit Committee is responsible for overseeing the annual engagement of the independent third-party that examines UPS management's assertion that the Statement of GHG emissions is in accordance with the Greenhouse Gas Protocol ("GHG Protocol").

2-15 Conflict of interest

The [UPS Code of Conduct and Ethics](#) ⇒ (the "Code") and the Company's [Related Persons Transaction Policy](#) ⇒, which are available on its investor relations website, set out its processes and policies for avoiding or managing conflicts of interest.

The Company's Audit Committee is responsible for overseeing compliance with the Code. 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.

UPS also maintains a 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" (as defined therein) 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 prior approval or ratification. In determining whether to approve or ratify a transaction, the Audit Committee considers, 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 the Company to enter into the transaction. The Company did not engage in any related person transactions in 2025 that required disclosure or Audit Committee approval.

At least annually, each director and executive officer completes a questionnaire in which they are required to disclose any business or personal relationships that may give rise to a conflict of interest, including transactions where the Company 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 identified related party transactions are reviewed for potential conflicts of interest. All transactions are reviewed to determine if they exceed the \$100,000 threshold that would trigger Audit Committee review. The Nominating and Corporate Governance Committee and the Board review a summary of this information in connection with the Board's annual independence assessment.

2-16 Communication of critical concerns

The Board delegates authority for day-to-day management of the Company and its operations, including those related to climate matters, to the ELT. The Board and its committees regularly receive updates from management regarding the effectiveness of policies, procedures, progress regarding targets, risks and opportunities, global compliance standards, regulatory developments, disclosure standards and other priority climate-related topics.

In 2025, no matters identified as critical concerns arose.

2-17 Collective knowledge of the highest governance body

Board members undertake a number of efforts to enhance their knowledge of sustainability-related topics. For example:

- The Company facilitates a formal director engagement program in which individual directors meet with individual ELT members and other senior Company employees, visit Company operations, participate in employee events and receive in-depth subject matter updates outside of regular quarterly Board meetings. These engagements encourage the ongoing exchange of ideas and information between directors and management and facilitate the Board's oversight, including with respect to sustainability topics.
- The Board and its Committees receive regular reports from our CSO, CFO and Chief Human Resources Officer regarding environmental and social topics.
- The Board's responsibilities include strategic oversight. This includes oversight of climate-related matters as a part of the Company's overall business strategy. The execution of the responsibility includes reviewing materials and holding discussions that advance understanding, skills and experience related to sustainability.
- Knowledge is advanced with the Board's review of UPS's annual sustainability reports and the Audit Committee's oversight and approval of the engagement of the third party to perform a review (limited assurance) of management's assertion relating to the disclosures in this 2025 GRI Content Index, as well as an examination (reasonable assurance) of management's assertion relating to the Statement of GHG Emissions for the year ended December 31, 2025, in accordance with attestation standards established by the AICPA.

2-18 Evaluation of the performance of the highest governance body

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 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 2025, the Board Chair met individually with each director to discuss overall Board effectiveness and performance and potential Board agenda items.

For additional information, please see the [Proxy Statement](#) ⇒ under the caption "Board and Committee Evaluations."

2-19 Remuneration policies

UPS is committed to providing fair and equitable compensation to employees across all markets in which we operate. We maintain systems and governance processes designed to facilitate compliance with applicable minimum wage requirements and global pay equity regulations. Approximately 75% of our global workforce is based in the United States, and the majority of these employees are represented by labor unions. As a result, wages, benefits and other terms and conditions of employment for these employees are governed by collective bargaining agreements. Non-union employees represent approximately 20% of the U.S. workforce. UPS structures compensation programs for non-union employees to provide market competitive pay rates. Furthermore, we conduct regular reviews of our compensation programs and processes for fairness, consistency and compliance.

UPS offers competitive hourly wages, salaries and total compensation to both full-time and part-time employees. The Company's union-represented employees receive industry-leading pay and benefits. UPS policies provide for equal remuneration irrespective of gender or any other protected class and comply with all applicable laws and regulations.

UPS's executive compensation programs are designed to:

- Drive organizational performance by tying a significant portion of pay to company performance
- Attract, retain and motivate by competitively and fairly compensating executive officers
- Encourage long-term stock ownership
- Align the interests of executives to long-term value creation

Executive compensation policies and programs are described in the section of the [Proxy Statement](#) ⇒ captioned "Executive Compensation." In 2025, we did not provide monetary incentives for the management of sustainability-related issues, including towards the achievement of targets. Types and amounts of compensation for our executive officers, including the determination of incentive targets by type, is set by the Compensation and Human Capital Committee ("Compensation Committee") of the Board, which consists entirely of independent directors. The Compensation Committee engages an independent compensation consultant to provide advice on the competitiveness and appropriateness of UPS's executive compensation programs. The Compensation Committee considers on at least an annual basis the appropriate incentive compensation targets.

2-20 Process to determine remuneration

The Compensation Committee is responsible for setting the principles that guide compensation decision-making, establishing the performance goals under our executive compensation plans and programs, approving compensation for the Company's executive officers and recommending compensation for the Company's independent directors. It is also responsible for overseeing performance and talent management, workforce representation, work culture and employee development and retention.

The primary process for setting compensation levels for our non-management employees is contract negotiations via collective bargaining. See Disclosure 2-30 – Collective bargaining agreements for additional information.

Feedback from stakeholder engagement is taken into account in setting and structuring compensation. The Compensation Committee conducts reviews of executive officer and director compensation generally every year to verify the program structures are consistent with best practices and current trends. Additionally, the committee engages an independent compensation consultant to provide advice on the competitiveness of UPS's executive officer and non-employee director compensation programs.

UPS provides shareowners the opportunity to vote annually, on an advisory basis, on the compensation of our named executive officers, as described in the [Proxy Statement](#) ⇒ under the caption "Compensation Discussion and Analysis section" and "Advisory Vote to Approve Named Executive Officer Compensation."

2-21 Annual total compensation ratio

See our [Proxy Statement](#) under the caption "Median Employee to CEO Pay Ratio."

Omitted: The ratio of the percentage increase in annual total compensation of the highest-paid individual to the median percentage increase in annual total compensation for all employees is currently unavailable due to lack of information in a centralized system. We will be reviewing ways to address all requirements of this disclosure on a yearly basis.

GRI 2: GENERAL DISCLOSURES: Strategy, policies and practices

2-22 Statement on sustainable development strategy

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.

2-23 Policy commitments

Corporate responsibility is fundamental to delivering on our purpose. See [Our Impact/Progress Report and Disclosures on About.UPS.com](#) ⇒ for UPS policies that help guide our commitment to ethical, sustainable and financially responsible business.

2-24 Embedding policy commitments

The [UPS Code of Conduct and Ethics](#) ⇒ sets out the behavior the Company expects from its employees, suppliers, consultants and third-party representatives. The Code aligns with UPS's core values of trust, responsibility, excellence and integrity. The Code is available in 9 languages so that UPS employees, agents and third-party representatives in multiple countries and territories can fully understand its guiding principles. UPS's policy is to comply with all applicable laws, rules and regulations. The Code includes policies and procedures that prohibit UPS employees, and others acting on its behalf, from engaging in any unlawful activities.

UPS supports the protection of basic human rights throughout its worldwide operations and is committed to a safe work environment that is free of threats, intimidation and physical harm. UPS does not discriminate against any applicant for employment or any employee in any aspect of their employment at UPS because of age, race, religion, sex, disability, sexual orientation, gender identity, military status, pregnancy, national origin, veteran status, other legally protected characteristic or basis, or any unlawful means.

UPS promotes employee understanding of its policies by providing training on compliance and ethics using a risk-based approach to identify appropriate audiences and training frequencies. Employees attest to specific compliance policies covered in the training.

2-25 Processes to remediate negative impacts

See the "Open Door Policy | UPS Ethics Hotline | No Retaliation Policy" section of the [UPS Code of Conduct and Ethics](#). ⇒

Throughout its global operations, the Company works with many unions, associations, and work councils. UPS agreements with U.S. labor organizations have specific provisions regarding the methods for resolving grievances. These provisions mandate periodic meetings of union and Company representatives, with an escalation framework if the parties cannot agree on a resolution.

2-26 Mechanisms for seeking advice and raising concerns

See Disclosure 2-25 – Processes to remediate negative impacts.

2-27 Compliance with laws and regulations

From time to time, we are involved in judicial proceedings and other matters arising from the conduct of our business. Although there can be no assurance as to the ultimate outcome, we have generally denied, or believe we have meritorious defenses and will deny, liability in pending matters, including the matters described in Note 10 of our [Annual Report on Form 10-K](#), and we intend to vigorously defend each matter. We accrue amounts associated with judicial proceedings and other contingencies when and to the extent a loss becomes probable and can be reasonably estimated. For such matters, we record the amount we consider to be the best estimate within a range of potential losses; however, when there appears to be a range of equally possible losses, our accrual is at the low end of this range. The likelihood of a loss with respect to a particular contingency is often difficult to predict and determining a reasonable estimate of the loss or a range of potential losses may not be practicable based on the information available. Additionally, events may arise that were not anticipated and, as a result, the outcome of a contingency may result in a loss that differs materially from our previously estimated liability.

For matters as to which we are not able to estimate a possible loss or range of losses, we are not able to determine whether any such loss will have a material impact on our operations or financial condition. For these matters, we have described the reasons that we are unable to estimate a possible loss or range of losses in Note 10 of our [Annual Report on Form 10-K](#).

2-28 Membership associations

This is not a comprehensive list, but a list of associations impactful to sustainability at UPS, in which we play a significant role:

Airlines For America ("A4A")

A4A advocates on behalf of its airline members to shape crucial policies and measures that promote safety, security and a healthy U.S. airline industry. A4A works collaboratively with airlines, labor, Congress, the Administration and other groups to improve aviation for the traveling and shipping public.

American Trucking Association ("ATA")

The ATA is the largest and most comprehensive national trade association for the trucking industry. ATA is a 90-year-old federation with state trucking association affiliates in all 50 states. ATA represents every sector of the industry, from less-than-truckload to truckload, agriculture and livestock to auto haulers, and from large motor carriers to small operations.

Book and Claim Community

Book and Claim Community connects, supports and catalyzes efforts across numerous stakeholders towards the development of a unified book and claim chain of custody framework for transport decarbonization.

U.S. Chamber of Commerce (the "Chamber")

The Chamber is the world's largest business organization. Chamber members range from the small businesses and chambers of commerce across the country that support their communities, to the leading industry associations and global corporations that innovate and solve for the world's challenges, to the emerging and fast-growing industries that are shaping the future.

Low Carbon Fuels Coalition ("LCFC")

The LCFC is a coalition of diverse companies and trade associations who all share the common goal of decarbonizing our transportation fuel supply. The LCFC is dedicated to advocating for the support and expansion of robust, technology-neutral Clean Fuels Standard policies at the state and federal level.

The Transport Project ("TTP")

TTP is a national organization dedicated to the development of a growing, profitable and sustainable market for vehicles powered by renewable natural gas ("RNG") and hydrogen. TTP represents more than 200 companies, environmental groups and government organizations interested in the promotion and use of RNG and hydrogen as transportation fuels.

Association for Uncrewed Vehicle Systems International ("AUVSI")

The AUVSI, the world's largest nonprofit organization dedicated to the advancement of uncrewed systems and robotics, represents corporations and professionals from more than 60 countries involved in industry, government and academia. AUVSI members work in the defense, civil and commercial markets.

Data and Trust Alliance

The Data and Trust Alliance brings together leading businesses and institutions across multiple industries to learn, develop and adopt responsible data and Artificial Intelligence practices.

Zero Emission Maritime Buyers Alliance ("ZEMBA")

ZEMBA, a nonprofit organization, is a first-of-its-kind buyers group within the maritime sector, the aim of which is to accelerate commercial deployment of zero-emission shipping, enable economies of scale and help cargo owners maximize emissions reduction potential beyond what any one freight buyer could accomplish alone. ZEMBA is an initiative of Cargo Owners for Zero Emission Vessels facilitated by the Aspen Institute's Energy and Environment Program.

GRI 2: GENERAL DISCLOSURES: Stakeholder Engagement

2-29 Approach to stakeholder engagement

We consider stakeholder engagement an essential aspect of our corporate governance. Maintaining open and ongoing dialogue with our stakeholders is an important component of our corporate culture. We regularly engage with a broad range of stakeholder groups through our Public Affairs and community relations external facing teams and others. We also respond to incoming correspondence from various stakeholder groups.

Below are some of the primary engagement mechanisms enabled across our major stakeholder groups:

- Communities: The UPS Foundation, employee volunteer program, humanitarian relief, resilience activities and equitable access to healthcare programs
- Customers: business reviews and regular meetings, market research, UPS.com, social media, UPS-sponsored events, about.UPS.com
- Employees: UPS Culture Survey, business resource groups, daily prework communications meetings, health and safety committees, UPSers.com, social media, union representatives, joint labor-management committees, town hall meetings, the UPS Sustainability Trailblazers employee engagement program
- Governments: global advocacy and relationship building, multifaceted thought leadership strategy, facility visits and targeted outreach, collaborative partnerships
- Investors: investor conferences, quarterly earnings communications, annual shareholder meeting, [Annual Report on Form 10-K](#), Quarterly Reports on Form 10-Q, Form 8-Ks, [Proxy Statement](#) ⇒, press releases, one-on-one and small group meetings, ratings and rankings by various organizations, investor relations website
- UPS Retirees: UPSers.com, virtual and in-person events
- Suppliers and Vendors: supplier engagement global procurement process to ensure our supply chain reflects the communities we serve, research and development of alternative vehicle technologies, development of a sustainability best practices platform for outside service providers, innovation workshops

2-30 Collective bargaining agreements

Nearly 80% 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"). Our national master agreement with the Teamsters expires July 31, 2028. In addition, approximately 3,400 of our pilots are employed under a collective bargaining agreement with the Independent Pilots Association ("IPA"). Our agreement with the IPA became amendable September 1, 2025. We are currently in negotiations with the IPA. We have approximately 2,000 airline mechanics who are covered by a collective bargaining agreement with Teamsters Local 2727 which becomes amendable November 1, 2026. In addition, approximately 3,000 of our auto and maintenance mechanics who are not represented by the Teamsters are employed under a collective bargaining agreement with the International Association of Machinists and Aerospace Workers ("IAM"), which expires on July 31, 2029.

GRI 3: MATERIAL TOPICS: Process to determine material topics

3-1 Process to determine material topics

UPS conducts global materiality assessments¹ to identify and prioritize sustainability topics of greatest significance to our stakeholders and enterprise. In 2025, UPS undertook a comprehensive global materiality assessment to identify and prioritize sustainability topics most significant to our stakeholders and enterprise. This process was designed to align with both the Global Reporting Initiative ("GRI") and European Sustainability Reporting Standards ("ESRS"), supporting robust, internationally recognized sustainability reporting.

With this latest assessment, we implemented an enhanced, interview-driven methodology, engaging a diverse array of stakeholders. The assessment integrated benchmarking, macroeconomic, regulatory, and industry trends. Stakeholder engagement focused on functional expertise and iterative validation, with material topics scored for scale, scope, irremediability and likelihood.

The primary result of this assessment was to determine sustainability issues of importance to UPS and our stakeholders. Additionally, it informs our sustainability strategy and reporting roadmaps. Disclosure 3-2 lists the topics addressed within this report.

¹In the GRI, materiality refers to aspects that reflect the organization's significant economic, environmental, and social impacts; or substantively influence the assessments and decisions of stakeholders. In a traditional securities law context, "material" information about a public company is information that would be expected to affect the decision of a reasonable investor to purchase, sell or hold a company's securities, or alter the market price of a company's securities, whether positive or negative.

3-2 List all the material topics identified in the process for defining report content

Sustainability Priority Topics Content		
Sustainability Priority Topics ¹	UN Sustainable Development Goals Alignment	Corresponding GRI Topic-Specific Standard
Greenhouse Gas Emissions and Energy Use	3, 7, 8, 9, 11, 12, 13, 14, 15	302-Energy, 305-Emissions
Employee Health, Safety and Wellness	3, 8	403-Occupational Health and Safety
Community Impact of Operations	11	This issue arose during the Sustainability materiality process but does not map directly to a GRI Topic-Specific Standard. However, see our Sustainability Overview ⇒ for additional information.
Resilience and Adaptation	1, 2, 3, 5, 7, 8, 9,10, 11, 17	This issue arose during the Sustainability materiality process but does not map directly to a GRI Topic-Specific Standard.
Societal Benefits of Business Activities	All	This issue arose during the Sustainability materiality process but does not map directly to a GRI Topic-Specific Standard.
Sustainable Customer Solutions	7,11,13	This issue arose during the Sustainability materiality process but does not map directly to a GRI Topic-Specific Standard.

¹UPS performed a reassessment of material GRI topics for the 2025 reporting year, wherein we did not conclude that the following topics were material and, as a result, they were not included as part of the 2025 GRI Report: Anti-Corruption (205), Anti-Competitive Behavior (206), Employment (401), Training and Education (404), Customer Privacy (418).

3-3 Management of material topics

Community Impact of Operations

More than half of the world's population lives in cities, with the share of urban dwellers expected to increase. This growth is expected to contribute to the challenges of emissions pollution and congestion, caused not only by the increasing number of residents but also by e-commerce activity and evolving business models. UPS continues to collaborate with various city partners and other stakeholders to develop and test innovative delivery solutions in dense urban areas. These include electric vehicles and a range of bicycle- and tricycle-based delivery solutions, all of which operate with zero tailpipe emissions. UPS has found that pedal-powered vehicles can be well-suited for making multiple deliveries in dense urban areas as they are more maneuverable than package cars and may access routes that other vehicles cannot, such as bicycle lanes and narrow city streets.

Resilience and Adaptation

Through its Enterprise Risk Management process, UPS reviews potential climate-related risks and opportunities. UPS prioritizes risks into Tier 1, Tier 2 or Tier 3 risk level classifications. All risks, including climate-related risks and opportunities are evaluated based on the potential impact to our strategy/brand, as well as the potential impact to our financial and operational performance. Risks and opportunities that require Board level awareness and that may affect the achievement of the Company's objectives or have a material adverse effect on the Company are defined as Tier 1 risks. Tier 2 risks are defined as potentially significant, emerging and approaching material limits. Tier 3 risks are defined, discussed and tracked at the region and/or country level.

Societal Benefits of Business Activities

The UPS Foundation

The UPS Foundation ("TUPSF") leverages UPS's global network and logistics capabilities to empower resilient, just and safe communities. TUPSF's philanthropic approach centers around delivering HELP:

- **Health and Humanitarian Relief:** Using UPS's technology, logistics expertise and partnerships to enhance disaster relief and recovery efforts and bridge gaps in healthcare access.
- **Economic Empowerment:** Breaking down systemic barriers in education and entrepreneurship to create better opportunities for all.
- **Local Community Engagement:** Mobilizing UPS employees to volunteer and support local causes, aiming to provide 30 million volunteer hours by 2030.
- **Planet Protection:** Investing in environmental research for a more sustainable world and aiming to plant 50 million trees by 2030.

See "Our Impact" on about.ups.com to learn more about how TUPSF delivers for our communities.

Combatting Human Trafficking

As a leading global transportation and logistics company, UPS plays a critical role in the fight against human trafficking. Given human trafficking's heavy reliance on transportation systems like highways, truck stops and airports, we train our workforce to be the eyes and ears for victims and to assist law enforcement in stopping this crime.

In partnership with the nonprofit Truckers Against Trafficking, TUPSF provided anti-human trafficking training to all newly hired UPS drivers in 2025. Over 20,000 UPS drivers completed the training. TUPSF also trained over 1,200 UPS management personnel to recognize and report human trafficking where they live, work and travel. Over 90% of UPSers trained feel equipped to recognize and report human trafficking.

Enabling Disaster Relief

In 2025, we provided over \$16 million in grants and in-kind logistical support in response to 80 global disasters and humanitarian crises. Some of our relief and recovery efforts in 2025 include:

- In response to Hurricane Melissa in Jamaica and Typhoon Halong in western Alaska, UPS partnered with humanitarian organizations to provide relief flights carrying essential supplies—including food, water, hygiene kits, and warm clothing—and, in Alaska specifically, distributed backpacks filled with blankets, stuffed animals, and other essentials for displaced children. We collaborated with The Home Depot to deliver \$1 million in clean-up and repair materials to Jamaica and gave \$100,000 for emergency logistics and assistance before the storm. In Alaska, we also funded emergency housing, clothing, and \$40,000 in cash assistance.
- When wildfires devastated homes and forests in the Los Angeles area, UPS responded swiftly by providing \$1 million in cash and logistics support, distributing essential supplies like hygiene kits, masks, food, and water to frontline crews. We also hosted volunteer events to give out mattresses, bedding, and clothes, offered cash assistance and financial counseling to affected UPS employees, and helped with emergency housing, tree replanting, and small business recovery efforts.

Advancing Sustainable Aviation

We support the Georgia Institute of Technology's research on sustainable aviation fuel (SAF). The project studies future demand, technology options, policies and real-world business examples to find practical ways to produce, distribute and use SAF in the aviation industry. Our support enhances Georgia Tech's sustainability programs and gives students hands-on experience with industry data, helping prepare the next generation of sustainability leaders.

Legislative Advocacy

A UPS-led coalition is working with bipartisan lawmakers to support the Combating Organized Retail Crime Act (CORCA) Act of 2025 which aims to stop the theft and sale of stolen retail goods and cargo in stores and online. This legislation will establish the Organized Retail and Supply Chain Crime Coordination Center within the federal government and help strengthen collaboration between law enforcement and the private sector, centralize intelligence and provide grants and training.

As part of our commitment to advancing supply chain resilience, particularly for healthcare, we collaborated with several large pharmaceutical companies to support the introduction of the bipartisan Medical Supply Chain Resiliency Act. This legislation aims to eliminate trade barriers that weaken medical supply chains and disrupt the ability to move essential medical goods across borders. It also seeks to improve U.S. access to medical goods and ensure that critical medical supplies can be delivered safely, swiftly and efficiently to patients at home and around the world. We expect to continue to work with government partners to further advance these initiatives in 2026.

Sustainable Customer Solutions

We offer our customers sustainable solutions to help reduce the environmental impacts associated with their supply chains.

- Customer Emissions Reporting - Our reporting solution allows customers to view their emissions data in multiple ways, such as by mode, service level, business unit and by package. Our assertion on the metrics used to develop our customer emissions reporting process is subject to assurance by a third party on an annual basis.
- Consultative Services - Based on a customer's supply chain network and emissions, we offer consultative solutions to identify opportunities to improve supply chain efficiencies and reduce emissions. The solutions include optimizing end-to-end supply chains, transportation, packaging and returns.
- Shipping and Receiving - With our UPS Smart Pickup™ service, customers can schedule pickups only when needed while UPS My Choice® services enable customers to adjust delivery times or locations. These services enhance customer convenience and may avoid unnecessary trips and emissions. Additionally, UPS customers can contribute to accredited third-party carbon offsetting projects that avoid or remove greenhouse gas emissions.
- Returns - Our consultative solutions help identify optimum return lanes, routes, and consolidation points in the transportation network, which may contribute to emissions reductions. Additionally, Happy Returns, a UPS Company, offers no-box returns, which reduces the usage of cardboard and allows consolidation of products in reusable containers.

Additional discussion on the management of material topics is provided in the Topic-Specific Standards section of this report.

TOPIC-SPECIFIC STANDARDS

TOPIC-SPECIFIC STANDARDS: 302 Energy

302 (3-3) Management of material topics

Our Purpose & Our Mission

UPS is guided by a clear purpose to move our world forward by delivering what matters. We execute this purpose through our Customer First, People Led, Innovation Driven strategy across the enterprise. Evidence indicates that human activities that result in the release of GHG emissions are contributing to a warming of the planet. In an effort to lower the GHG emissions that are generated by UPS's business activities and to make our business model more resilient, UPS has developed and is executing our strategy to decarbonize our global network in a financially prudent manner.

Guiding Principles

We established the following guiding principles for our decarbonization strategy:

1. Lead with integrity
2. Execute a holistic vision of sustainability
3. Deliver impact not promises
4. Take a financially prudent approach based on sound engineering principles

Our Strategy

To execute on our decarbonization transition plans, we have established strategic focus areas for our organization:

Operational Excellence

Operational Excellence is centered on efficiency gains and igniting innovation which is core to UPS's business model. UPS engineers are continuously optimizing operations and operational flows based on real-time factors including volume levels, asset availability, weather conditions, service commitments and other considerations. We design, develop, implement and leverage digital and physical technology to reduce distance traveled, increase asset utilization and lower the energy intensity within our network, thereby lowering our absolute emissions and carbon intensity.

Asset Transition

UPS uses a variety of assets to provide transportation and logistics services across the enterprise, including vehicles, aircraft and facilities. UPS leverages a rolling laboratory approach to identify asset types that can meet the safety, service, financial and sustainability requirements of the business. Once identified, tested and validated, these asset types are scaled in various business units and geographies.

The Company publicly discloses the amount of annual capital expenditures related to projects supporting our environmental sustainability goals. The amounts can include, but are not limited to, the purchase of new, more fuel-efficient aircraft, zero tailpipe emission aircraft and vehicles, alternative fuel vehicles, infrastructure to support the deployment of low emission projects and facility projects that lower energy consumption.

Energy Transition

Drop-in renewable and biofuels provide opportunities to reduce UPS's GHG emissions at scale while leveraging existing assets and infrastructure. We work with suppliers to identify and implement opportunities to expand the use of lower carbon emission fuels in our operations. Approval for the expenditure on fuel premiums is in partnership with the Company's business segments and other internal departments.

UPS consumes electricity and runs equipment in its operational and non-operational facilities. The Company leverages a suite of instruments to increase renewable electricity usage, including on-site solar projects, retail supply contracts, power purchase agreements and unbundled renewable energy certificates ("RECs").

UPS continuously evaluates existing and new instruments, and executes agreements based on the best-fit projects, leveraging evaluation criteria, including financial performance, operational performance and sustainability quality. Approval for projects is managed within the Company's capital lifecycle management processes.

While UPS did not account for the renewable component of the underlying electricity grids within our 2025 renewable electricity inventory, we continue to evaluate our methodology and could include it in the future.

Carbon Offsets

UPS's strategy is to decarbonize our own operations first, and we do not intend to use carbon offsets as a GHG reduction mechanism in the near term unless required through regulations or laws. We will continue to assess the need for carbon offsets as part of our decarbonization efforts and will consider several factors including: quality, additionality, permanence and options for eliminating residual and/or hard to abate emissions. We have and expect to continue to offer voluntary carbon offset products to customers.

Customer Products

Many UPS customers have established goals to reduce their GHG emissions, and, for some customers, UPS can represent a sizable portion of their Scope 3 GHG emissions. As a result, an increasing number of customers have engaged with suppliers, like UPS, to decarbonize supply chains. UPS has developed services to both quantify a customer's emissions when using UPS services as well as offer lower carbon products, such as UPS® SmartEnergy Solutions, that can help customers accelerate the decarbonization of their value chain and achieve their environmental sustainability goals.

Public Policy Advocacy

Public policy plays a vital role in creating a fair and even playing field for UPS and other businesses that are committed to reducing their environmental impact and meeting their sustainability goals. UPS advocates for a technology agnostic approach to innovation that does not predetermine winners and losers before technological and commercial viability can be assessed. We support policies that incentivize the production and use of renewable and biofuels, such as tax credits, grants, mandates and standards, as well as policies that enable the deployment of low and zero emission vehicles and infrastructure, such as rebates, vouchers and funding programs. We participate in public policy forums where we advocate for prudent innovation and investment in technologies and infrastructure development. By engaging with policymakers and collaborating with leading nongovernmental organizations ("NGO"s), we support a regulatory environment that aligns with our vision of a more resilient and sustainable future for our customers, employees and communities.

Executing Our Strategy

Decarbonizing Ground Operations (Scope 1 & 2)

UPS is one of the largest fleet owner-operators in the world, with approximately 125,000 heavy, medium and small duty vehicles in the fleet. UPS has established four strategic focus areas to transition UPS ground operations to a low-carbon future: (1) invest in hardware and software technologies that reduce fuel and energy usage within UPS operations, (2) transition the assets in the fleet to vehicles that are more fuel efficient and/or can consume commercially available low carbon fuels, (3) expand the use of low emission fuels such as renewable natural gas, renewable diesel and renewable electricity, and (4) maximize the utilization of low emission vehicles.

Decarbonizing Air Operations (Scope 1)

UPS has one of the largest aircraft fleets in the world, with 295 aircraft owned by the Company, and 221 aircraft leased or chartered by the Company. UPS air operations generate the largest portion of Scope 1 greenhouse gas at the Company through the consumption of jet fuel. To transition UPS air operations to a low-carbon future, the Company has established three strategic focus areas: (1) reduce fuel usage through the use of advanced technology and other operating efficiencies, (2) transition the fleet to more fuel efficient aircraft, and (3) expand the usage of low-emission SAF.

Decarbonizing Facility Operations (Scope 1 & 2)

UPS conducts operations in over 2,400 owned and leased facilities across the globe and consumes a significant amount of energy to power, heat, and cool the facilities. UPS has established two strategic focus areas to decarbonize UPS facility operations: (1) invest in hardware and software that can optimize and reduce energy needs, and (2) transition to low emission energy such as renewable electricity and renewable natural gas.

Decarbonizing Supplier Operations (Scope 3)

Our immediate focus is on decarbonizing UPS's operations. While most of UPS's emissions are generated by our own operations, certain parts of our businesses utilize third parties to provide transportation services to our customers. We are working with third-party providers on lower carbon emission solutions for these businesses and identifying opportunities to reduce emissions from third-party transportation.

Challenges We Continue to Address

The factors below, shifts in business strategy and other external factors can interfere with progress in decarbonization pathways making linear progress challenging or nonviable over certain time periods.

Renewable and Biofuel Supply and Cost

UPS requires renewable and biofuels to be available at scale, and with a competitive cost profile compared to conventional fuel sources, to meet our decarbonization goals. SAF is critical to decarbonizing our air operations, which drives a significant amount of UPS's overall emissions. Currently, SAF supply is limited and cost prohibitive compared to conventional jet fuel. We depend on technological advancements, economies of scale, geographical availability and public policy developments that are outside of our control to make these fuels broadly and economically available.

Public Policy

Fragmented public policy within the markets we serve can create challenges, including insufficient infrastructure support, undefined and inconsistent policy positions and lack of financial support for clean energy projects. Additionally, local laws and regulations may not reflect a holistic approach across the value chain to ensure that market demand, market supply, and the infrastructure necessary to enable market participants to meet their goals are all aligned. The absence of unified policy approaches may challenge UPS's ability to drive material carbon emission reductions in a cost-effective manner.

Competitive Landscape

Our industry continues to rapidly evolve, including demands for faster deliveries, increased shipment visibility and development of other services. We expect to continue to face significant competition on a

local, regional, national and international basis. Competitors include the U.S. and international postal services, various motor carriers, express companies, freight forwarders, air couriers, and large transportation and e-commerce companies that continue to make significant investments in their own logistics capabilities, some of whom are currently our customers. We also face competition from start-ups and other smaller companies that combine technologies with flexible labor solutions such as crowdsourcing.

New and innovative technologies may also create additional sources of competition. Competitors have cost, operational and organizational structures that differ from ours and may offer services or pricing terms that we are not willing to offer. Additionally, from time to time we have raised, and may in the future raise, prices and our customers may not be willing to accept these higher prices. If we do not appropriately respond to competitive pressures, including replacing any lost volume or maintaining our profitability, we could be materially adversely affected. Industry growth, or lack thereof, may further increase competition. As a result, opportunities for growth could be limited or competitors may improve their financial capacity and strengthen their competitive positions. Business combinations could also result in competitors providing a wider variety of services and products at competitive prices, which could also materially adversely affect us.

Goals & Progress

We defined interim goals for 2025 and 2035 to demonstrate progress towards our overarching goal of achieving carbon neutrality by 2050. We are committed to providing updates on our progress towards achieving our goals. UPS's decarbonization transition plans enabled the Company to make progress during 2025 towards achieving our sustainability goals. In 2025, UPS's total gross Scope 1, 2 and 3 CO₂e emissions were 25,771 ('000) metric tonnes, which was 3.6% above 2024. Although emissions reductions were achieved by increased renewable electricity usage and increased alternative fuel usage, these reductions were primarily offset by increases in jet fuel usage driven by an air cargo contract with the United States Postal Service that became effective in September 2024. A full breakdown of UPS emissions by category can be found Appendix B.

Goals: Renewable Electricity Powering Our Facilities

Goal: 25% Renewable by 2025

Progress: In 2025, we exceeded our 25% renewable electricity powering our facilities goal as 27.4% of our total electricity for owned and leased facilities was generated from renewable sources. This represents a 12.2 percentage point increase when compared to the 15.2% renewable electricity consumed in 2024.

Both of UPS's U.S. data centers procured 100% renewable energy in 2025 through the purchase of unbundled RECs. This was the fourth consecutive year the Company has purchased renewable energy for its U.S. data centers.

UPS procured bundled renewable electricity, unbundled RECs, and leveraged on-site solar deployments to achieve its 2025 goal. All unbundled RECs that UPS purchased in 2025 complied with the following procurement policies: Green-e Certified; RECs came from a renewable resource that had a commercial operation date within the last four years (2022 or after); the REC was produced within calendar year 2025; REC procurement was matched regionally to the location of the load; and REC purchases that included community or social impact were prioritized.

Through the purchase of renewable electricity, UPS avoided approximately 239,000 metric tonnes of CO₂e when compared to non-renewable electricity usage.

Goal: 40% Alternative Fuels Used in UPS Ground Operations by 2025*

*Fuel in ground operations is defined as all fuel used in on-highway and facility-based vehicles for mobile ground operations. This includes our tractor-trailers, package cars, ground support equipment for loading/unloading aircraft, forklifts in our facilities and shifters for moving trailers. Alternative fuels are any fuels other than conventional gasoline and diesel, and include compressed natural gas ("CNG"), liquified natural gas ("LNG"), propane, biodiesel, renewable diesel, ethanol and renewable natural gas ("RNG").

Progress: In 2025, UPS purchased approximately 214 million gallons of alternative fuels, accounting for 36.4% of our total ground fuel consumption, an increase of 5.8 percentage points compared to the 2024 results of 30.6%. Although the 40% goal was not fully achieved, the 5.8 percentage point increase represents the largest year-over-year increase in alternative fuel usage in the Company's history.

From 2024 to 2025, total RNG usage increased by 28.8 million gallons. Additionally, the percentage of RNG consumed within our natural gas ground fleet increased to 96.5% in 2025 compared to 87.3% in 2024.

As a result of actions taken in 2025, total UPS ground CO₂e emissions were lower by approximately 350,000 metric tonnes compared to 2024 despite an approximate 1.5% increase in year over year ground fuel consumption. UPS avoided approximately 1.38 million metric tons of CO₂e during the year through the consumption of alternative fuels when compared to conventional fossil fuels.

Goal: 30% Sustainable Aviation Fuel in Our Air Network by 2035

Progress: Our mandatory and voluntary SAF purchases were minimal in 2025 and are therefore not included in the 2025 emissions and energy calculations.

The Company engages with fuel suppliers, government agencies and research institutions to better understand and advocate for public policy measures that will enable SAF production at scale and do not provide either inherent advantage(s) or disadvantage(s) to a particular SAF technology production pathway or feedstock input.

UPS took delivery of 7 aircraft in 2025 and has ordered an additional 18 new aircraft, which are expected to deliver significant fuel-efficiency improvements through the replacement of older, less fuel-efficient aircraft in the fleet.

The Company is also executing several initiatives that reduce fuel burn within our air operations. These include continued reduction of aircraft auxiliary power units usage, transitioning to electric ground support equipment, optimizing flight routes and using data analytics to reduce arrival fuel requirements, leveraging artificial intelligence tools to optimize aircraft climb profiles in real time, in-flight wind uploads for long haul flights to aid in optimum altitude selection and continuous training and feedback on best fuel practices. We estimate that these initiatives reduced jet fuel consumption by approximately 18.5 million gallons in 2025, when compared against 2020 operations, representing approximately 208,000 metric tonnes of CO₂e avoided.

We continuously assess our flight requirements to determine the optimal number of block hours required to meet service commitments and maximize the payload capacity of our aircraft. While the above initiatives have positive impacts on the carbon emissions of our air operations, we believe using SAF at scale remains the primary way to decarbonize the aviation industry.

Goal: 50% Reduction in CO₂e per Global Small Package by 2035 (2020 baseline)*

*Measures total Scope 1 and 2 emissions within our global operations. We use a carbon dioxide equivalent ("CO₂e") calculation which sums equivalent values of carbon dioxide ("CO₂"), methane ("CH₄") and nitrous oxide ("N₂O").

Progress: Our carbon intensity per package in 2025 was 2.94 kg CO₂e/package against a baseline of 2.51 kg CO₂e/package and a target of 1.26 kg CO₂e/package.

The year over year combined CO₂e/package for ground and electricity emissions decreased by 0.02 kg CO₂e/package, but was offset by combined air and facility heat emission increases of 0.31 kg CO₂e/package, with the majority of the increase being driven by the air emission per package category. As a result, total Scope 1 and 2 CO₂e emissions per package increased by 0.29 kg CO₂e/package, a 10.8% increase compared to 2024 and an increase of 0.43 kg CO₂e/package compared to the 2020 baseline. Total consolidated volume in 2025 decreased 7.4% compared to 2024 and has decreased 16.5% since the 2020 baseline year.

A full breakdown of UPS emissions by category can be found in the table "CO₂e by Fuel Type" within Appendix B. To calculate emissions per package, UPS divides the total Scope 1 and 2 emissions in CO₂e (using the fuel type split in Appendix B) by the total package volume.

Across all sustainability goals, we expect variability in our interim progress as the Company executes its strategy and adjusts to external factors, including shifting customer preferences, governmental policies, competitive dynamics and evolving technology.

Any information relating to forward-looking statements, goals, and progress against goals was not subject to Deloitte's review and, accordingly, Deloitte does not express a conclusion or any form of assurance on such information.

302-1 Energy consumption within the organization

Total Energy Consumption				
Global Energy ('000 GJs)	2025	2024	Percent Change (2025/2024)	Base Year (2020)
Direct Energy	216,379	206,148	5.0%	209,483
Indirect Energy	9,579	8,464	13.2%	6,939
Total Energy	225,958	214,612	5.3%	216,422

Energy Consumption Within the Organization by Source				
Global Energy ('000 GJs)	2025	Percent to Total Energy 2025	2024	Base Year (2020)
Direct Energy				
Airline Fuel	149,270	66.1%	139,037	137,555
Conventional	149,270	66.1%	139,037	137,539
Renewable	0	0.0%	0	16
Ground Vehicle Fuel	59,589	26.4%	61,381	66,684
Diesel	21,417	9.5%	25,706	33,372
Gasoline	25,473	11.3%	25,123	21,957
CNG	760	0.3%	1,582	4,497
Propane/LPG	820	0.4%	501	797
LNG ¹	0	0.0%	353	1,892
Renewable Fuel (Biomass)	11,119	4.9%	8,116	4,169
Facility Heat²	7,520	3.3%	5,730	5,244
Direct Energy Subtotal	216,379	95.8%	206,148	209,483
Indirect Energy				
Electricity	7,521	3.3%	7,347	6,412
Renewable Electricity	2,058	0.9%	1,117	527
Indirect Energy Subtotal	9,579	4.2%	8,464	6,939
Total Energy	225,958	100.0%	214,612	216,422

¹Fossil LNG is not a significant fuel source based on current UPS fuel procurement strategy.

²Due to changes in financial system account mapping effective January 2025, heating oil, propane and natural gas usage are consolidated under facility heat.

To calculate energy consumption, the fuel volume is determined and the corresponding unit conversion factor from the Argonne National Laboratory GREET model is applied. Energy has been reported for the entities over which UPS has operational control. For additional information, please refer to section 305-1 GHG Reporting Scope and Boundary.

302-2 Energy consumption outside the organization

Energy Consumption Outside the Organization				
Global Energy ('000 GJs)	2025	2024	Percent Change (2025/2024)	Base Year (2020)
Upstream				
1. Purchased Goods and Services ¹	Not Reported	Not Reported	n/a	Not Reported
2. Capital Goods ¹	Not Reported	Not Reported	n/a	Not Reported
3. Fuel and Energy-Related (not incl. Scope 1 and 2) ¹	Not Reported	Not Reported	n/a	Not Reported
4. Transportation and Distribution	54,143	52,655	2.8%	75,111
5. Waste Generated in Operations ²	Not Relevant	Not Relevant	n/a	Not Reported
6. Business Travel	512	544	(5.9)%	514
7. Employee Commuting	22,403	23,195	(3.4)%	30,418
8. Leased Assets ²	Not Relevant	Not Relevant	n/a	Not Relevant
Downstream				
9. Transportation and Distribution ²	Not Relevant	Not Relevant	n/a	Not Relevant
10. Processing of Sold Products ²	Not Relevant	Not Relevant	n/a	Not Relevant
11. Use of Sold Products ²	Not Relevant	Not Relevant	n/a	Not Relevant
12. End-of-life Treatment of Sold Products ²	Not Relevant	Not Relevant	n/a	Not Reported
13. Leased Assets ²	Not Relevant	Not Relevant	n/a	Not Relevant
14. Franchises ²	Not Relevant	Not Relevant	n/a	390
15. Investments ²	Not Relevant	Not Relevant	n/a	Not Relevant
Total Energy Consumption Outside the Organization	77,058	76,394	0.9%	106,433

¹Energy information not reported as outlined in omission language below.

²Category not relevant to UPS operations or not material to our environmental data.

Omitted: Information regarding standards, methodologies, assumptions, calculation tools and conversion factors used are currently unavailable. We will be reviewing ways to address the requirements of this disclosure on a yearly basis as we define the need to capture this information. Emissions information is available in Appendix B: Statement of GHG Emissions.

302-3 Energy intensity

Global Energy ('000 GJs/\$M Revenue)			
Energy Intensity Within the Organization			
	2025	2024	Base Year (2020)
Revenue (\$M)	\$88,661	\$89,502	\$78,408
Direct Energy	2.441	2.303	2.672
Indirect Energy	0.108	0.095	0.088
Total Energy	2.549	2.398	2.760

302-4 Reduction of energy consumption

Although UPS measures energy consumption within and outside our organization, there are no discrete targets or initiatives in place to reduce enterprise-wide energy consumption. See disclosure 302 (3-3) for a discussion of our emission reduction targets and initiatives.

302-5 Reductions in energy requirements of products and services

See Disclosure 302-4 – Reduction of Energy Consumption.

TOPIC-SPECIFIC STANDARDS: 305 Emissions

305 (3-3) Management of material topics

UPS is focused on decarbonizing our transportation services and providing transparency regarding our progress. We believe that to be effective in our carbon reduction endeavors, comprehensive reporting of the entirety of our GHG emissions is key. Only with disclosure of Scope 1, 2 and 3 GHG emissions can stakeholders objectively assess our GHG emissions and emission reduction efforts.

We manage emissions and energy with the same approach. See Disclosure 302 (Energy) – 3-3 Management of material topics.

305-1 Direct (Scope 1) GHG emissions

See Appendix B at end of document.

305-2 Indirect (Scope 2) GHG emissions

See Appendix B at end of document.

305-3 Other indirect (Scope 3) GHG emissions

See Appendix B at end of document.

305-4 GHG emissions intensity

See Appendix B at end of document.

305-5 Reduction of GHG emissions

Carbon Intensity Emissions				
	2025 CO ₂ e Intensity	2024 CO ₂ e Intensity	2020 CO ₂ e Intensity	Comments
Package Intensity	2.94	2.65	2.51	1) CO ₂ e intensity factor expressed in kg CO ₂ e per package 2) Scope is UPS global, Scope 1 and Scope 2

Additional information regarding our package intensity reduction goals and the activities in support of this goal is available in disclosure 302 (3-3).

TOPIC-SPECIFIC STANDARDS: 403 Occupational Health and Safety

403 (3-3) Management of material topics

UPS's health and safety programs are comprehensive and focus on building a culture of health and safety by:

- Identifying and assessing risk, and auditing for compliance
- Investing in safety training and new safety technology
- Promoting well-being for all employees
- Offering benefits that promote employee safety in the workplace and beyond

The Company utilizes advanced training methods, vehicle telematics, Comprehensive Health and Safety Process ("CHSP") employee committees, and a governance and assurance process to validate and measure effectiveness. We also use our Global Safety Health Risk Management Information System ("G-SHRMIS") to track important health and safety data globally. These efforts, along with other health and safety initiatives, allow us to respond to the ever-changing health and safety needs of our employees and our business.

403-1 Occupational health and safety management system

UPS's CHSP develops occupational health and safety systems tailored to our varied operational environments. The CHSP incorporates risk management principles and organizational standards to efficiently tackle the distinct challenges within our business. Through our CHSP process, UPS engages in-house expertise to construct a versatile and robust employee health and safety framework.

CHSP focuses on employee engagement, utilizing an iterative, collaborative methodology. By involving employees across organizational tiers, the program leverages diverse insights for ongoing refinement. This strategy significantly enhances the quality of occupational health and safety throughout UPS.

The program includes a wide array of roles from package handling to administration, and spans geographical boundaries to include sorting facilities, mobile logistics, offices and other locations worldwide.

403-2 Hazard identification, risk assessment and incident investigation

UPS takes a comprehensive approach to workplace safety through a framework encompassing timely reporting, compliance auditing, employee coaching and data-driven decision making. Employees have various channels to report work-related hazards, including local CHSP committees, our risk assessment process, our global Health & Safety data management platform and a 24/7 Ethics Hotline. Further, our Open Door Policy encourages transparent reporting without fear of retaliation.

Our management and CHSP committee members facilitate routine and non-routine audits. Certified health and safety experts are involved in these processes, and the results of local audits contribute to more extensive, company-wide safety initiatives. Our CHSP and associated safety training programs encourage employees to identify and remove themselves from work situations that they believe could cause injury or ill health. In addition, our policies prohibit retaliation against employees for raising safety concerns.

Our safety measures are data-driven and holistic, aided by tools like the G-SHRMIS for tracking injuries and vehicle accidents worldwide. Incidents undergo investigation, identifying root causes and generating corrective action plans. Preventative measures and educational standards are implemented and revised from time to time as appropriate. CHSP committees also conduct work practice analyses and behavioral evaluations. In addition, periodic training promotes continued employee competency. The insights gained from incidents and audits are integrated into our broader global safety strategy, making the approach thorough and continually improving.

403-3 Occupational health services

The CHSP helps identify the root causes of injuries and auto accidents. Routine worksite evaluations, led by safety professionals and loss prevention consultants, identify hazards and assess risks across operational areas. Specific incidents, regulatory changes or the introduction of new work processes may result in non-routine inspections. For example, following the UPS Airlines aircraft accident that occurred on November 4, 2025, in Louisville, Kentucky, the Company activated its established emergency response and occupational health protocols to support affected employees and teams. These protocols included immediate access to medical care, trauma-informed counseling and ongoing mental health and bereavement resources. UPS also worked with emergency responders and regulators to secure the site and support cleanup and remediation efforts to address potential environmental impacts.

Risk mitigation in the CHSP is guided by a hierarchy of controls. This systematic approach is fortified by periodic training and contributes to the continual advancement of the Company's safety systems.

The program employs data analytics, behavioral observation and feedback for comprehensive risk assessment and mitigation. These functions are executed by qualified professionals and backed by

quality assurance protocols, including managerial oversight of key performance indicators. Findings and data are collated in G-SHRMIS, contributing to an ongoing, data-driven improvement of the CHSP and broader safety strategies within UPS.

403-4 Worker participation, consultation and communication on occupational health and safety

The CHSP is a company-wide initiative designed to engage employees in developing, implementing and evaluating workplace safety measures. Local health and safety committees responsible for defining safety standards and protocols oversee the CHSP, including formalizing corrective action plans and evaluating effectiveness.

CHSP committees are comprised of employees from various job positions, including management and non-management, providing a balanced representation of the workforce. Contract workers or those whose concerns are managed through other channels do not participate in the CHSP committees.

The committees are involved in coaching employees on safety procedures, sharing best practices, marketing the value of workplace safety, promoting compliance with safety standards, mentoring new employees and conducting safety observations. Safety standards and practices are also negotiated and contained in labor union agreements.

403-5 Worker training on occupational health and safety

Our safety culture is built on the foundation of training, coaching and recognition. Our safety professionals lead workshops to train frontline managers and supervisors, who in turn coach employees. The curriculum ranges from safe work methods and wellness to specialized issues such as handling hazardous materials and operating heavy machinery.

In 2025, UPS invested \$539 million in safety training for employees. New hires participate in group orientation sessions on safety and participate in a training curriculum. Other employees participate in advanced and recurring training. Specialized modules, such as for drivers and specific warehouse personnel, are also utilized for roles with specific safety requirements.

UPS enriches its safety culture through mentoring programs and recognition initiatives. Less experienced employees can gain insights from longer-tenured employees through mentorship and learning best practices applicable to their jobs. Tenured drivers with exceptional safety records are celebrated through programs like the Circle of Honor, celebrating 25 years or more of safe driving. In 2025, UPS inducted 1,467 drivers into the Circle of Honor program, bringing the total to 9,574 members.

403-6 Promotion of worker health

Our Industrial Athlete program is a streamlined, standardized approach to employee health and safety. It promotes sustainable, healthy employee behaviors focused on four core health elements – physical conditioning, nutrition and hydration, fatigue management, and mental health – to mitigate risk, improve readiness, and support overall well-being. These are achieved through:

- **Training and Awareness:** The program offers evidence-based education and resources delivered through structured training, education, engaging activities, validation process, and other key messaging modalities.
- **Cross-functional Collaboration:** We developed the program in partnership and consultation with safety committees, operations, health and safety, external experts and other key stakeholders

to promote alignment and consistency in messaging, program delivery and engagement strategies.

- Continuous Improvement: Establish key performance metrics to continually refine the program.

Managing mental health is a business priority as it impacts performance, compliance, and employee wellbeing. Proactive management improves engagement, retention, and overall performance. Our Employee Assistance Program ("EAP"), administered through an independent health insurer, is a comprehensive, no-cost resource available globally to all employees – part-time, full-time, union and non-union – as well as to all members of their households. Children living away from home are covered up to age 26.

In addition, we require all full-time and part-time management, with defined responsibilities, to complete an annual Mental Health Awareness training through the Workplace Training System. The program is designed to promote an openness, reduce mental health stigma, and resources to recognize and appropriately respond to an individual in crisis. Furthermore, through a vendor partnership, we have two licensed mental health professionals who support one of our largest operations and provide in-person assistance.

To further promote wellness and prevention, health fairs, webinars, lunch and learns and other employee engagement activities are held throughout the Company.

403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

UPS conducts audits to assess specific risks, including equipment safety, workplace environment and emergency response protocols. These audits are part of a collaborative framework that also involves our contractors, agents and outside service providers. Together, we share lessons learned and best practices, which span topics including incident reporting, hazard identification and risk assessment. These collaborative efforts have helped reduce workplace injuries and vehicle crashes and have fostered a culture of safety.

UPS implements safety measures designed to mitigate adverse impacts on health and safety. Strategies include advanced driver assistance systems, heat stress mitigation wearables, specialized training programs, real-time monitoring systems and utilizing personal protective equipment. Our multi-pronged approach promotes compliance with applicable health and safety standards.

403-8 Workers covered by an occupational health and safety management system

UPS maintains a safety management system designed to promote compliance with technical standards and to support compliance with regulatory requirements for all employees. Our management system's standards address processes and policies to improve organizational safety effectiveness. To assess these standards, we implemented a Safety System Assessment approach with four primary objectives:

- Assess and build the safety capability of the responsible facility management and safety management to implement both management systems and technical standards
- Assess and build the capability of the responsible facility management and safety management to implement corrective action plans to improve performance
- Identify opportunity for improvement of safety processes and standards
- Examine critical areas of health and safety to the organization

The Safety System Assessments measure the conformance to each applicable standard for the facility and management team using the Plan-Do-Check-Act cycle which is an iterative design and management method used in business for the control and continual improvement of processes and products. It is also known as the Shewhart cycle, or the control circle/cycle.

Omitted: Information regarding occupational health and safety management systems pertaining to employees and workers who are not employees of UPS is not tracked by UPS. There are currently no intentions of collecting this data.

403-9 Work-related injuries

In 2025, our recordable injury rate was 6.72 per 200,000 employee hours. UPS experienced 9 work-related employee fatalities worldwide in 2025. Our rate of fatalities per 200,000 hours worked was 0.0025. The total number of hours worked by UPS employees was over 730 million in 2025. The main types of work-related injuries to UPS employees are auto accidents, slips and falls, and lift-lower injuries. Globally, we categorize recordable injuries by severity in compliance with OSHA standards, in addition to any other regulatory requirements specific to the countries in which we operate.

In 2025, our auto accident rate was 6.88 per 100,000 driving hours. Through our innovative driver training programs and use of driver assistance technologies, UPS has consistently recorded a top tier safety rating from the [U.S. Federal Motor Carriers Safety Administration \(FMCSA\)](#)¹ → and has a safe driver rate more than two times better than the 2022 national average, which was last updated in July 2025. UPS's crash frequency rate is 0.31² per million miles against an industry rate of 1.52 per million miles in 2022.

¹Information relating to industry performance was not subject to Deloitte's review and, accordingly, Deloitte does not express a conclusion or any form of assurance on such information.

²Based on latest available mileage data (2024).

Omitted: UPS does not track or report the global employee total recordable incident rate or fatality rate for independent contractors. Additionally, information regarding high-consequence work related injuries is not being tracked by UPS. There are currently no intentions of collecting this data.

403-10 Work-related ill health

In 2025, our organization had no known incidents of occupational diseases or work-related ill health among our employees or contract employees. The existing data and compliance status are based on internal record-keeping and are aligned with regulatory standards.

Omitted: UPS does not track or report the global employee total recordable incident rate or fatality rate for contract employees, UPS will be reviewing ways to address the requirements of this disclosure on a yearly basis.

APPENDIX A



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INDEPENDENT ACCOUNTANT'S REPORT

**Board of Directors
United Parcel Service, Inc.
Atlanta, Georgia**

We have reviewed management of United Parcel Service, Inc.'s (the "Company") assertion that the sustainability disclosures presented within the 2025 Global Reporting Initiative ("GRI") Content Index as of and for the year ended December 31, 2025 (the "2025 GRI Content Index") are presented in accordance with the GRI Sustainability Reporting Standards (Universal Standards 2021 and the latest Topic Standards). The Company's management is responsible for its assertion. Our responsibility is to express a conclusion on management's assertion based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to management's assertion in order for it to be fairly stated. The procedures performed in a review vary in nature and timing from, and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

The procedures we performed were based on our professional judgment. In performing our review, we performed analytical procedures, inquiries, and other procedures as we considered necessary in the circumstances. For a selection of the sustainability disclosures in the 2025 GRI Content Index, we performed tests of mathematical accuracy of computations, compared the disclosures to underlying records, or observed the data collection process.

The preparation of the sustainability disclosures in the 2025 GRI Content Index requires management to interpret the criteria, make determinations as to the relevancy of information to be included, and make estimates and assumptions that affect the reported information. Measurement of certain amounts and disclosures includes estimates and assumptions that are subject to substantial inherent measurement uncertainty including, for example, the accuracy and precision of greenhouse gas emission conversion factors, or estimation methodologies used by management. Obtaining sufficient appropriate review evidence to support our conclusion does not reduce the inherent uncertainty in the sustainability disclosures in the 2025 GRI Content Index. The selection by management of different but acceptable measurement methods, input data, or assumptions, may have resulted in materially different amounts and disclosures being reported.

Information outside the sustainability disclosures in the 2025 GRI Content Index was not subject to our review and, accordingly, we do not express a conclusion or any form of assurance on such information. Further, all other information, including information relating to forward-looking statements, targets, goals, progress against goals, and linked information, was not subject to our review and, accordingly, we do not express a conclusion or any form of assurance on such information.

Based on our review, we are not aware of any material modifications that should be made to management of the Company's assertion in order for it to be fairly stated.

Deloitte & Touche LLP

March 13, 2026

APPENDIX B

Statement of Greenhouse Gas (GHG) Emissions for the year ended December 31, 2025

305-1 Direct (Scope 1) GHG emissions

305-2 Indirect (Scope 2) GHG emissions

Global CO ₂ e Emissions (^{'000} metric tonnes)				
	2025	2024	% Change (2025/2024)	Base Year (2020)
Scope 1	14,898	14,408	3.4%	15,088
Scope 2 (market-based)	540	636	(15.1)%	728
Gross Scope 1 and 2	15,438	15,044	2.6%	15,816
Scope 3	10,333	9,833	5.1%	12,059
Gross Scope 1, 2 and 3	25,771	24,877	3.6%	27,875
Total voluntary carbon offsets purchased for customers	(181)	(198)	(8.6)%	(273)
Net Global CO ₂ e Emissions	25,590	24,679	3.7%	27,602

Global CO ₂ e Emissions ('000 tonnes)			
Emissions by Business Unit			
U.S. Domestic Package			
	2025	2024	Base Year (2020)
Scope 1	6,648	7,169	10,129
Scope 2	383	487	632
Total Scope 1 and 2	7,031	7,656	10,761
Scope 3	4,624	4,601	6,660
Total Scope 1, 2, and 3	11,655	12,257	17,421
International Package			
	2025	2024	Base Year (2020)
Scope 1	6,691	6,339	4,908
Scope 2	42	44	19
Total Scope 1 and 2	6,733	6,383	4,927
Scope 3	3,086	2,865	1,722
Total Scope 1, 2 and 3	9,819	9,248	6,649
Supply Chain Solutions			
	2025	2024	Base Year (2020)
Scope 1	1,558	900	51
Scope 2	115	105	77
Total Scope 1 and 2	1,673	1,005	128
Scope 3	2,624	2,367	3,677
Total Scope 1, 2 and 3	4,297	3,372	3,805
Totals			
	2025	2024	Base Year (2020)
Scope 1	14,897	14,408	15,088
Scope 2	540	636	728
Total Scope 1 and 2	15,437	15,044	15,816
Scope 3	10,333	9,833	12,059
Total Scope 1, 2 and 3	25,771	24,877	27,875

Emissions by Greenhouse Gas Scope & Type ('000 tonnes)						
Greenhouse Gas Type	Scope 1			Scope 2		
	2025	2024	Base Year (2020)	2025	2024	Base Year (2020)
Carbon Dioxide (CO ₂)	14,836.8	14,351.0	14,913.4	537.0	634.5	723.5
Methane (in CO ₂ e)	40.0	37.1	39.7	1.5	1.2	1.8
Methane (CH ₄)	1.3	1.3	1.4	0.0	0.0	0.1
Nitrous Oxide (in CO ₂ e)	20.7	19.6	128.7	2.0	0.5	2.4
Nitrous Oxide (N ₂ O)	0.1	0.1	0.5	0.0	0.0	0.0

Emissions by Greenhouse Gas Scope & Type ('000 tonnes)						
Greenhouse Gas Type	Scope 3 ¹			Totals		
	2025	2024	Base Year (2020)	2025	2024	Base Year (2020)
Carbon Dioxide (CO ₂)	10,317.5	9,672.7	12,003.7	25,691.3	24,658.2	27,642.1
Methane (in CO ₂ e)	6.6	5.9	6.6	48.1	44.2	48.1
Methane (CH ₄)	0.2	0.2	0.2	1.6	1.6	1.7
Nitrous Oxide (in CO ₂ e)	9.1	9.4	48.5	31.9	29.5	179.6
Nitrous Oxide (N ₂ O)	0.0	0.0	0.2	0.1	0.1	0.7

¹Applicable data sources include well-to-wheel emissions in reported CO₂e values elsewhere in report that will not be reflected in the breakout by gas type in this table.

Biomass CO ₂ Emissions (‘000 tonnes, not included in above totals)				
	2025	2024	% Change (2025/2024)	Base Year (2020)
Mobile Combustion – Biomass CO ₂ (e.g., ethanol, bio-diesel)	1,505	1,142	31.8%	470
Stationary Combustion – Biomass CO ₂	0	0	—%	0
Total Biomass CO ₂ (reported separately as per GHG Protocol)	1,505	1,142	31.8%	470
Scope 2 CO ₂ e Emissions (‘000 tonnes)				
	2025	2024	% Change (2025/2024)	Base Year (2020)
Scope 2 (market-based method)	540	636	(15.1)%	728
Scope 2 (location-based method)	735	729	0.8%	775

GHG reporting policies

The statement of GHG emissions has been prepared based on a calendar reporting year that is the same as our financial reporting year: January 1, 2025 to December 31, 2025. Organizational responsibility for our GHG Emissions reporting rests with our Chief Sustainability Officer.

Scope 1 and 2 GHG emissions information is prepared in accordance with the World Resources Institute ("WRI")/World Business Council for Sustainable Development ("WBCSD") Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition).

Scope 3 GHG emissions information is prepared in accordance with the WRI/WBCSD Greenhouse Gas Protocol: Corporate Value Chain (Scope 3), Accounting and Reporting Standard.

Collectively, the Corporate Accounting and Reporting Standard (Revised Edition) and the Corporate Value Chain (Scope 3), Accounting and Reporting Standard are referred to as the "GHG Protocol" in this document. The following includes information on GHG emissions by business unit and emission source, as well as intensity disclosures.

Base year GHG emissions

The base year GHG emissions for Scopes 1, 2, and 3 is 2020.

UPS will change the base year as needed to properly track progress against current sustainability goals. The GHG Protocol states, "Selection and recalculation of a base year should relate to the business goals and the particular context of the company: For the purpose of reporting progress towards voluntary public GHG targets, companies may follow the standards and guidance in this chapter." Should new emissions-related sustainability goals be published with a new base year, the base year for the greenhouse gas inventory will be changed to reflect the new goal base year for consistency with the GHG Protocol.

In addition, the Science Based Targets Initiative ("SBTi") suggests, "It is recommended that companies use the same base years for all near term targets." Although UPS does not currently have a science-based target, UPS recognizes SBTi's leadership in the space and feels that its suggestion for a consistent base year is appropriate for consideration. Using two base years in the inventory and/or goals does not align with this recommendation from SBTi, and UPS will only use the base year from the most recently updated goals for consistency. The most recent goals have a base year of 2020, which will be used as the base year until new goals are created or warranted.

Greenhouse gases

GHG emissions figures are reported in metric tonnes of carbon dioxide equivalents (CO₂e) and include three of the seven greenhouse gases covered by the GHG Protocol — carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O). Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), sulfur hexafluoride (SF₆) and nitrogen trifluoride (NF₃) emissions were omitted from our reporting, as they are not a significant source of greenhouse gases for the Company.

The GHG Protocol defines global warming potential (GWP) as "a factor describing the radiative forcing impact (degree of harm to the atmosphere) of one unit of a given GHG relative to one unit of CO₂." By using GWPs, GHG emissions from multiple gases can be standardized to a carbon dioxide equivalent (CO₂e).

The Global Warming Potentials of GHGs

Gas	GWP	Reference
Carbon Dioxide (CO₂)	1	Sixth Assessment Report (AR6) published by Intergovernmental Panel on Climate Change
Methane (CH₄)	29.8	
Nitrous Oxide (N₂O)	273	

GHG Reporting Scope and Boundary

The Statement of Greenhouse Gas Emissions includes Scope 1 (direct), Scope 2 (indirect) and Scope 3 (indirect) emissions that were reported for operations within the organizational boundary described below. GHG emissions have been reported from the entities where UPS has operational control as defined by the GHG Protocol. UPS is a global company operating in over 200 countries and territories. UPS has two reporting segments: U.S. Domestic Package and International Package. Our remaining businesses are reported as Supply Chain Solutions. U.S. Domestic Package and International Package are together referred to as our global small package operations.

Operational Boundary – Detailed Description Scope 1 and 2

Source: Scope 1 - Jet-A (mobile)

- U.S. Package Operations: All jet fuel used for UPS-owned aircraft and leased aircraft for which UPS has operational control (U.S. flights). We have defined operational control as those leases on a UPS operating license that are flown and maintained by UPS.
- International Package Operations: All jet fuel used for UPS-owned aircraft (International flights). Aircraft include those on the UPS operating license, flown by UPS pilots and maintained by UPS.
- Supply Chain Solutions: All Supply Chain Solutions activity moved on UPS-owned and leased aircraft (U.S. and International)

Source: Scope 1 - Diesel and Gasoline (mobile)

- U.S. Package Operations: All diesel and gasoline used in UPS-owned/leased vehicles to transport, pick up and deliver small packages
- International Package Operations: All diesel and gasoline used in UPS-owned/leased vehicles to transport, pick up and deliver small packages
- Supply Chain Solutions: Diesel and gasoline used in UPS-owned/leased vehicles to transport, pick up and deliver freight or packages

Source: Scope 1 - CNG (mobile)

- U.S. Package Operations: All CNG used in UPS-owned vehicles to transport, pick up and deliver small packages
- International Package Operations: All CNG used in UPS-owned vehicles to transport, pick up and deliver small packages
- Supply Chain Solutions: All CNG used in UPS-owned vehicles to transport, pick up and deliver freight or packages

Source: Scope 1 - Propane/ LPG (mobile)

- U.S. Package Operations: All propane fuel used in UPS-owned vehicles to transport, pick up and deliver small packages
- International Package Operations: All propane fuel used in UPS-owned vehicles to transport, pick up and deliver small packages
- Supply Chain Solutions: N/A — fuel type is not a source of emissions from this business unit

Source: Scope 1 - LNG (mobile)

- U.S. Package Operations: All LNG used in UPS-owned vehicles to transport, pick up and deliver small packages
- International Package Operations: All LNG used in UPS-owned vehicles to transport, pick up and deliver small packages
- Supply Chain Solutions: All LNG used in UPS owned vehicles to transport, pick up and deliver freight or packages

Source: Scope 1 - Biomass (mobile)

- U.S. Package Operations: RNG, renewable diesel, ethanol and bio-diesel used in UPS fleet. CH₄ and N₂O are reported in Scope 1 and CO₂ emissions for biomass fuels are reported separately as per the GHG protocol.
- International Package Operations: RNG, renewable diesel, ethanol and bio-diesel used in UPS fleet. CH₄ and N₂O are reported in Scope 1 and CO₂ emissions for biomass fuels are reported separately as per the GHG protocol.
- Supply Chain Solutions: RNG, renewable diesel, ethanol and bio-diesel used in UPS fleet. CH₄ and N₂O are reported in Scope 1 and CO₂ emissions for biomass fuels are reported separately as per the GHG protocol.

Source: Scope 1 - Facility Heat (stationary)

- U.S. Package Operations: Natural gas, propane and heating oil for facilities we own or lease
- International Package Operations: Natural gas, propane and heating oil for facilities we own or lease
- Supply Chain Solutions: Natural gas, propane and heating oil for facilities we own or lease

Source: Scope 2 - Purchased Electricity (stationary)

- U.S. Package Operations: Electricity usage for facilities we own or lease
- International Package Operations: Electricity usage for facilities we own or lease
- Supply Chain Solutions: Electricity usage for facilities we own or lease

Operational Boundary – Detailed Description Scope 3

Note regarding the interpretation of value chain partner: Prior to 2022, the definition considered usage of primary data (e.g., fuel used) versus secondary data (e.g., estimates using miles). Beginning in 2022, the definition used is whether data is available within internal systems or obtained from the supplier. This change does not affect the precision of the UPS emissions calculations.

Upstream Scope 3 Emissions

Category 1: Purchased Goods and Services

- Emissions included/excluded (UPS scope and boundary): The upstream extraction, production and transportation of goods and services purchased by all UPS operations, not otherwise included in Categories 2 through 8. No exclusions.
- Description of methodology: Economic input-output life cycle assessment (EIO-LCA) model with adjustments for inflation. Corporate Sustainability and Corporate Controllers review all general ledger codes for applicability and appropriate sub-categorization.
- % emissions calculated using data obtained from value chain partners: 0%

Category 2: Capital Goods

- Emissions included/excluded (UPS scope and boundary): The upstream extraction, production and transportation of capital goods purchased by all UPS operations. Includes buildings, aircraft, vehicles and information technology. No exclusions.
- Description of methodology: Economic input-output life cycle assessment (EIO-LCA) model with adjustments for inflation. Corporate Sustainability and Corporate Controllers review all included projects for applicability and appropriate sub-categorization.
- % emissions calculated using data obtained from value chain partners: 0%

Category 3: Fuel- and Energy-Related Activities Not Included in Scope 1 or 2

- Emissions included/excluded (UPS scope and boundary): Includes the upstream (well-to-pump) emissions from raw material extraction up to the point of (but excluding) combustion for the following global fuel sources: Jet-A, diesel, gasoline, CNG, propane/LPG, LNG, biomass, natural gas and heating oil. Includes the upstream emissions associated with upstream, generation of, and transmission and distribution losses of, purchased electricity. No exclusions.
- Description of methodology: The same primary data that is used to calculate the Scope 1 and 2 emissions for all energy usage is used to calculate the upstream emissions; the actual quantity of energy consumed is multiplied by the appropriate life cycle emission factor.
- % emissions calculated using data obtained from value chain partners: 0%

Category 4: Transportation and Distribution (Upstream)

- Emissions included/excluded (UPS scope and boundary): The emissions from purchased transportation (air, ground, rail and ocean) for the pickup, transportation and delivery of packages/freight for our global operations includes emissions associated with:
 - U.S. Package Operations - Packages moved by third parties via ground, rail and air
 - International Package Operations - Packages moved by third parties via ground, rail and air
 - Supply Chain Solutions - Freight moved by third parties via ground, rail, air and ocean
- Does not include Scope 2 emissions from third-party transportation companies or any optional life cycle assessment (LCA) emissions. Source has been excluded due to lack of means to measure emission source.
- Description of methodology: The primary method used to calculate the upstream emissions from purchased transportation is to multiply the actual weight and distance traveled for each shipment by the appropriate emission factor from the GHG Protocol.
- % emissions calculated using data obtained from value chain partners: 3%

Category 5: Waste Generated in Operations

- Emissions included/excluded (UPS scope and boundary): Not Relevant - We do not report on this category. As outlined in the GHG protocol, a de minimis emissions approach is used to determine exclusion from the inventory.
- Description of methodology: Not Relevant
- % emissions calculated using data obtained from value chain partners: Not Relevant

Category 6: Business Travel

- Emissions included/excluded (UPS scope and boundary): Includes the emissions that occur from air and rail travel, rental cars and the use of personal vehicles for business-related activities for our global operations. Does not include any optional life cycle emissions from hotel stays. Source has been excluded due to lack of means to measure emission source.
- Description of methodology: Travel agent provides a detailed breakdown of GHG emissions based upon actual travel activity.
- % emissions calculated using data obtained from value chain partners: 77%

Category 7: Employee Commuting

- Emissions included/excluded (UPS scope and boundary): Includes the emissions that occur from our employees' commute between their homes and their workplace. Does not include any optional emissions from employee teleworking. Source has been excluded due to lack of means to measure emission source.
- Description of methodology: Actual number of employees multiplied by average gallons used per employee (UPS calculated this factor) multiplied by the emission factor for gasoline. The UPS factor for estimated gallons per employee was created by combining information from the U.S. Census data and other sources.
- % emissions calculated using data obtained from value chain partners: 0%

Category 8: Upstream Leased Assets

- Emissions included/excluded (UPS scope and boundary): Not Relevant — We do not report on this category since the category as described by the WRI Guidelines is not applicable to our business because upstream leased assets are included in our Scope 1 and 2 emissions.
- Description of methodology: Not Relevant
- % emissions calculated using data obtained from value chain partners: Not Relevant

Downstream Scope 3 Emissions

Category 9: Transportation and Distribution

- Emissions included/excluded (UPS scope and boundary): Not Relevant — We do not report on this category since the category as described by the WRI Guidelines is not applicable to our business because UPS does not offer a sold product. For our sold service, emissions from non-UPS vehicles are reported in category 4 because they are purchased directly by UPS.
- Description of methodology: Not Relevant
- % emissions calculated using data obtained from value chain partners: Not Relevant

Category 10: Processing of Sold Products

- Emissions included/excluded (UPS scope and boundary): Not Relevant — We do not report on this category since the category as described by the WRI Guidelines is not applicable to our business because UPS does not offer an intermediate sold product.
- Description of methodology: Not Relevant
- % emissions calculated using data obtained from value chain partners: Not Relevant

Category 11: Use of Sold Products

- Emissions included/excluded (UPS scope and boundary): Not Relevant — We do not report on this category since the category as described by the WRI Guidelines is not applicable to our business because UPS does not offer an intermediate sold product.
- Description of methodology: Not Relevant
- % emissions calculated using data obtained from value chain partners: Not Relevant

Category 12: End-of-Life Treatment of Sold Products

- Emissions included/excluded (UPS scope and boundary): Not Relevant — We do not report on this category. As outlined in the GHG protocol, a de minimis emissions approach is used to determine exclusion from the inventory.
- Description of methodology: Not Relevant
- % emissions calculated using data obtained from value chain partners: Not Relevant

Category 13: Downstream Leased Assets

- Emissions included/excluded (UPS scope and boundary): Not Relevant — We do not report on this category since the category as described by the WRI Guidelines is not relevant because UPS does not have any significant downstream leased assets.
- Description of methodology: Not Relevant
- % emissions calculated using data obtained from value chain partners: Not Relevant

Category 14: Franchises

- Emissions included/excluded (UPS scope and boundary): Not Relevant — We do not report on this category. As outlined in the GHG protocol, a de minimis emissions approach is used to determine exclusion from the inventory.
- Description of methodology: Not Relevant
- % emissions calculated using data obtained from value chain partners: Not Relevant

Category 15: Investments

- Emissions included/excluded (UPS scope and boundary): Not Relevant — We do not report on this category since the category as described by the WRI Guidelines is not relevant because UPS does not have any significant investments that fit this category.
- Description of methodology: Not Relevant
- % emissions calculated using data obtained from value chain partners: Not Relevant

Uncertainty

Omitted: We will be reviewing ways to address uncertainty on a yearly basis.

GHG emission factors

The carbon dioxide equivalent emissions associated with the activities described in the detailed description of our operational boundaries were determined on the basis of measured or estimated energy and fuel use, multiplied by relevant carbon emission factors. Published emission factors were used to calculate emissions from operations. Renewable electricity use is supported through energy attribute certificates and supplier contracts.

GHG emission factors by source

Emissions Source	Emission Factor Employed
Scope 1 — Global	U.S. Department of Energy (DOE), Argonne National Laboratory, GREET 2022 model U.S. EPA Emission Factor Hub, Emission Factors for Greenhouse Gas Inventories, September 2023
Scope 2 — U.S	U.S. Environmental Protection Agency eGRID data year 2020 2022 Green-e® Residual Mix Emissions Rates (2020 Data)
Scope 2 — Canada	National Inventory Report, Greenhouse Gas Sources and Sinks in Canada (Published 2021; Data year 2019)
Scope 2 — Other	CO ₂ Emissions from Fuel Combustion Highlights (Published 2022; 2020 data year © OECD/IEA) 2021 European Residual Mix (Association of Issuing Bodies)
Scope 3 — Global	Categories 1 and 2: U.S. EPA, Supply Chain Greenhouse Gas Emission Factors v.1.2 by NAICS-6; 2021 Category 3: U.S. DOE, Argonne National Laboratory GREET 2022 Model Category 3: IEA Emission Factors 2023, Total Upstream Factors and T&D losses adjustment Category 3: US Environmental Protection Agency eGRID 2020, T&D losses Category 4: EPA SmartWay Carrier Rankings and Emission Rates Category 4: Smart Freight Center (SFC) Clean Cargo Working Group, Ocean trade lane emission factors Category 4: SFC, GLEC Framework v3, transport emission factors, 2023 Category 6: EPA Emission Factors for GHG Inventories, March 2018 Category 4, 7: U.S. DOE, Argonne National Laboratory, GREET 2022 model

Methodology

For Scope 1 and 2, primary usage data is used to calculate GHG emissions. The primary data is collected through various internal processes and data systems which are entered into a platform that quantifies associated emissions through the application of the GHG emission factors described above. GHG emission calculations for Scope 3 use various sources of secondary data since primary data is unavailable. The secondary data used varies from miles driven, number of packages picked up/delivered to estimated shipment information (weight and distance per shipment). The appropriate GHG factor is applied to estimate the emissions reported.

Carbon offset purchases

A carbon offset is a certified financial instrument aimed at a reduction in GHG emissions. The offsets we purchase meet the key standard of additionality, which means that the carbon reduction project in question (such as reforestation) produced a reduction in CO₂e generation or sequestration of CO₂e in addition to what would have been achieved by activities already planned or underway. UPS is currently not using these offsets to meet our GHG goals. They are purchased and retired on behalf of our customers who wish to contribute to accredited third-party projects that avoid or remove greenhouse gas emissions. The credits are certified through standards shown in the "Offset Standard" column, which are globally recognized carbon credit certification bodies. The table below is a summary of carbon offsets purchased on behalf of our customers.

Project Name	Project Location	Offset Standard	Project Type	2025 Retirement	2024 Retirement
Vichada Afforestation	Colombia	VCS	Nature-based Solution	31,260	0
Dhaka Methane Leak Repairs	Bangladesh	VCS	Sustainable Infrastructure	24,576	0
Smallholder Farmers Artisanal Biochar	India	Other (ER)	Engineered Solution	1,770	0
Reducing Gas Leaks in Bakhrabad	Bangladesh	VCS	Industrial Process Emissions Reduction	52,000	0
Fatima N ₂ O Abatement Project	Pakistan	UN CDM	Industrial Process Emissions Reduction	24,600	0
Mississippi Valley Reforestation	U.S.	ACR	Nature-based Solution	5,000	0
Sabah Rainforest Rehabilitation	Malaysia	VCS	Nature-based Solution	18,000	0
Trinity Timber	U.S.	CAR	Landfill Gas Capture	10,000	0
Advanced Landfill Gas Capture	U.S.	VCS	Sustainable Infrastructure	12,990	0
NativState	U.S.	CAR	Forest Management	1,240	0
Rimba Raya Biodiversity Reserve	Indonesia	VCS	Forest Conservation	0	91,075
Bondhu Chula Stoves	Bangladesh	Gold VER	Health and Livelihoods	0	32,981
Cement Heat Recovery	India	VCS	Sustainable Infrastructure	0	31,712
Burn Efficient Cookstoves	Kenya	Gold VER	Health and Livelihoods	0	4,870
Gola Rainforest Protection REDD+	Sierra Leone	VCS	Forest Protection	0	37,646
Total Carbon Offsets in Metric Tonnes¹				181,436	198,284

¹Certain offsets are in the process of being retired.

305-3 Other indirect (Scope 3) GHG emissions

Global CO ₂ e Emissions ('000 tonnes)		2025	2024	Base Year (2020)
Total Scope 3 Emissions		10,333	9,833	12,059
Upstream				
1	Purchased Goods and Services	811	579	604
2	Capital Goods	743	698	1,290
3	Fuel and Energy Related (not incl. Scope 1 and 2)	3,433	3,261	2,703
	Jet A (well to pump)	1,901	1,773	1,700
	Diesel (well to pump)	341	408	516
	Gasoline (well to pump)	437	431	371
	CNG (well to pump)	13	28	69
	Propane/LPG (well to pump)	11	7	10
	LNG (well to pump) ¹	0	12	58
	Biomass (well to pump)	454	355	-114
	Facility Heat (stationary)	92	66	55
	Electricity (upstream, T&D losses/generation of)	184	181	38
4	Transportation and Distribution	3,794	3,689	5,263
	Subcontracted Air	2,605	2,387	2,794
	Subcontracted Ground	922	956	2,054
	Subcontracted Rail	220	261	278
	Subcontracted Ocean	47	85	137
5	Waste Generated in Operations ²	Not Relevant	Not Relevant	37
6	Business Travel	36	38	36
7	Employee Commuting	1,516	1,568	2,059
8	Leased Assets ²	Not Relevant	Not Relevant	Not Relevant
Downstream				
9	Transportation and Distribution ²	Not Relevant	Not Relevant	Not Relevant
10	Processing of Sold Products ²	Not Relevant	Not Relevant	Not Relevant

11	Use of Sold Products ²	Not Relevant	Not Relevant	Not Relevant
12	End-of-Life Treatment of Sold Products ²	Not Relevant	Not Relevant	11
13	Leased Assets ²	Not Relevant	Not Relevant	Not Relevant
14	Franchises ²	Not Relevant	Not Relevant	56
15	Investments ²	Not Relevant	Not Relevant	Not Relevant

¹Fossil LNG is not a significant fuel source based on current UPS fuel procurement strategy.

²Category not relevant to UPS operations or not material to our environmental data

Additional information regarding the included greenhouse gases, base year, GWP and calculation standards can be found in 305-1 and 305-2.

Omitted: Information regarding biogenic CO₂ emissions for each Scope 3 category is currently unavailable. We will be reviewing ways to address all requirements of this disclosure on a yearly basis.

305-4 GHG emissions intensity

Global CO ₂ e ('000 tonnes/ \$M Revenue)			
CO ₂ e Intensity			
Global CO ₂ e ('000 tonnes/ \$M Revenue)	Totals		
	2025	2024	Base Year (2020)
Revenue in millions	\$88,661	\$89,502	\$78,408
Scope 1	0.168	0.161	0.192
Scope 2	0.006	0.007	0.009
Total Scope 1 and 2	0.174	0.168	0.202
Scope 3	0.117	0.110	0.154
Total Scope 1, 2 and 3	0.291	0.278	0.356

Global CO ₂ e Emissions ('000 tonnes) CO ₂ e by Fuel Type				
	2025	2025 Percent to Total	2024	Base Year (2020)
Airline Fuel	10,905	70.6%	10,157	10,120
Ground Vehicle Fuel	3,608	23.4%	3,973	4,695
Diesel	1,624	10.5%	1,961	2,501
Gasoline	1,861	12.1%	1,835	1,644
CNG	44	0.3%	92	259
Propane/LPG	54	0.3%	32	54
LNG ¹	0	—%	34	206
Biomass (CH ₄ and N ₂ O only)	25	0.2%	19	25
HFCs (fugitive)	Not Material	Not Material	Not Material	6
Facility Heat ²	385	2.5%	278	273
Facility Electricity	540	3.5%	636	728
Grand Total	15,438	100%	15,044	15,816

¹Fossil LNG is not a significant fuel source based on current UPS fuel procurement strategy.

²Due to changes in financial system account mapping effective January 2025, heating oil, propane and natural gas usage are consolidated under facility heat.

Additional information regarding the included greenhouse gases can be found in Disclosures 305-1 and 305-2.



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INDEPENDENT ACCOUNTANT'S REPORT

Board of Directors
 United Parcel Service, Inc.
 Atlanta, Georgia

We have examined management of United Parcel Service, Inc.'s (the "Company") assertion that the Statement of Greenhouse Gas (GHG) Emissions for the year ended December 31, 2025 (the "2025 Statement of GHG Emissions") in Appendix B of the Company's 2025 Global Reporting Initiative ("GRI") Content Index is presented in accordance with the *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)* and the *Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard*, published by the World Resources Institute/World Business Council for Sustainable Development (together the "GHG Protocol"). The Company's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's assertion. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

The preparation of the 2025 Statement of GHG Emissions requires management to interpret the criteria, make determinations as to the relevancy of information to be included, and make estimates and assumptions that affect the reported information. Measurement of GHG emissions includes estimates and assumptions that are subject to inherent measurement uncertainty including, for example, the accuracy and precision of GHG emission conversion factors and estimation assumptions used by management. Obtaining sufficient, appropriate evidence to support our opinion does not reduce the inherent uncertainty in the amounts and disclosures. The selection by management of a different but acceptable measurement method, input data, or model assumptions may have resulted in materially different amounts or disclosures being reported.

Information outside of the Statement of Greenhouse Gas emissions disclosures (Appendix B of the Company's GRI Content Index) in the 2025 Statement of GHG Emissions was not subject to our examination and, accordingly, we do not express an opinion or any form of assurance on such information. Further, all other information, including information relating to forward looking statements, targets, goals, progress against goals, and linked information, was not subject to our examination and, accordingly, we do not express an opinion or any form of assurance on such information.

In our opinion, management's assertion that the 2025 Statement of GHG Emissions for the year ended December 31, 2025 is presented in accordance with the GHG Protocol is fairly stated, in all material respects.

Deloitte & Touche LLP

March 13, 2026