



Committed to More™

# Sustainability at UPS

September 2018



On the  
Leading  
Edge

UPS 2017  
Corporate Sustainability  
Progress Report

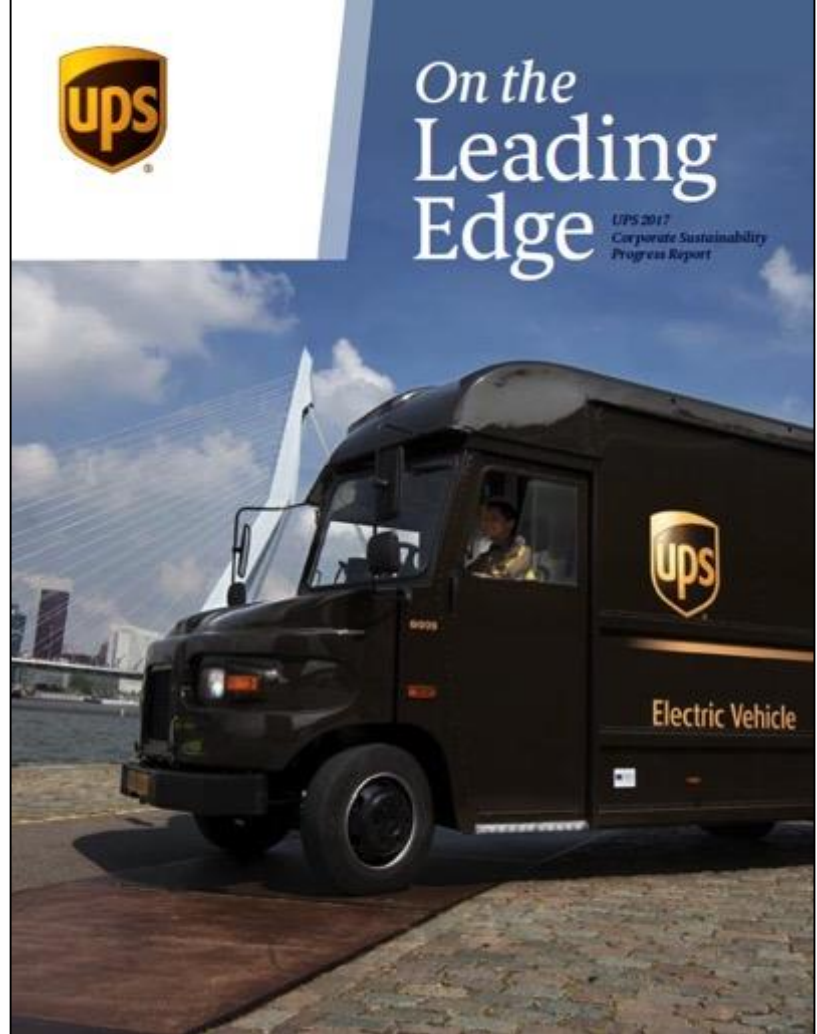




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- How we approach sustainability
- How we are executing our strategies
- How we can work with what we have

But first an introduction



# Our Global Network

## Who We Serve

10.5 Million+  
Customers Daily

46 Million+  
UPS My Choice® Members

220+  
Countries and Territories Served

## Where We Go

5.1 Billion  
2017 Delivery Volume

Americas  
Asia-Pacific  
Europe  
Indian Subcontinent, Middle East, and Africa  
USA

20 Million  
2017 Package Deliveries Daily

## How We Do It

454,000+  
Global Employees

2,240+  
Daily Flight  
Segments

119,000  
Vehicles

2,500+  
Worldwide  
Operating Facilities

27,500+  
UPS Access Point™  
Locations

~9,100  
Alternative Fuel  
or Advanced  
Technology Vehicles

580+  
Owned and  
Leased Aircraft

## What We Do

GLOBAL SMALL PACKAGE

INSURANCE & FINANCING

LOGISTICS & DISTRIBUTION

FREIGHT FORWARDING



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- Year 2000 - 1 billion cleaner miles before 2017
- 2004 right turn heavy policy first year gains (US)
  - 20,4 million miles reduction
  - 10 million gallons of diesel
  - CO2 reduction of 20K metric tonnes
- 2008 to now 1 Billion USD invested
- Today the largest privately owned alternative fuel fleet in the world.



## On the Leading Edge

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# Environmental Goals for the Road Ahead

## ENVIRONMENTAL GOALS



**12% by 2025**

Reduction in Absolute GHG Emissions in Global Ground Operation



**25% by 2025**

Electricity from Renewable Sources



**40% by 2025**

Alternative Fuel as a Percentage of Total Ground Fuel



**25% by 2020**

Total Vehicles Purchased Annually that are Alternative Fuel or Advanced Technology Vehicles

In addition - how can we work with what we have?

# Integrated Network Enables Intermodal Shifting to Maximize Efficiency

We need the customers to help



*Shifts from air to ground & ground to rail help us avoid more than 7.2 million metric tonnes of CO<sub>2</sub>e since 2015.*

# Pack | UPS PackPerfect™ On-Demand Packaging

## Package Cube Shrinkage



	As Received from Retailer	After Repacking with Packsize
Total Corrugated	174.3 ft <sup>2</sup>	122.1 ft <sup>2</sup>
Total Corrugated Weight	18.0 lbs.	12.6 lbs.
Total Package Volume	22.1 ft <sup>3</sup>	12.1 ft <sup>3</sup>

## Transportation Efficiencies



# Environmentally Responsible Packaging



**Express Envelope**  
100% recycled fiber  
(80% post-consumer content)



**Express Box**  
90% post-consumer  
content



**Express Envelope  
Reusable**  
100% recycled fiber  
(80% post-consumer content)



**Express Pak**  
15% post-consumer content



**Express Tube**  
90% post-consumer content



**10 KG Box & 25 KG Box**  
30% post-consumer content



# Ground Fleet: Leveraging Technology to Travel Fewer Miles per Route

- Allocate pickups/deliveries to most efficient number of vehicles daily
- Optimize routes to reduce mileage, minimize idle time and avoid left turns
- Reroute drivers in real time
- Eliminate unnecessary stops
- Telematics give insight into vehicle performance



*We focus on increasing efficiency  
and density – delivering more  
packages per stop.*

# Sustainable Urban Access Solutions



## Technology & Innovation

- Cycle solutions
- 9,100 alternative fuel vehicles
- Route optimization technology

## Last-Mile Solutions

- UPS Access Point™ locations
- Central storage container
- Electrically assisted bikes or on foot

## Research and Strategy Collaborations

- Municipalities
- Academic institutions
- NGOs

# Urban Delivery Concepts



<https://www.youtube.com/watch?v=RyfpR9jIUcQ>



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## Learn More

[ups.com/sustainability](https://ups.com/sustainability)

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