2015 Sustainability Report Fact Sheet

Innovation

- In 2015, our fleet of alternative fuel and advanced technology vehicles logged 300 million miles, putting us at 805 million cumulative miles. We will achieve our goal to drive 1 billion miles in our alternative fuel and advanced technology fleet in August 2016, more than a year ahead of schedule.
- In 2015 we added over 1,750 new alternative fuel and advanced technology vehicles to our fleet. This included more than 800 natural gas tractor trailers, nearly 600 compressed natural gas (CNG) and more than 350 propane package cars, along with several electric package cars.
- In 2015, we acquired Coyote Logistics, a leading third-party logistics service provider, which will help us fill millions of empty trailer movements that are needed to balance our network. Filling empty trailer miles will improve our fleet efficiency and reduce miles driven.
- Seventy percent of all U.S. routes that were identified as part of the initial deployment are now equipped with ORION – On Road Integrated Optimization and Navigation – our proprietary route-optimization software. By the end of 2016, we expect ORION to help reduce the distance driven by our drivers by 100 million miles annually and achieve a 100,000 metric tonne reduction in CO2 emissions.
- To reduce congestion and emissions, we have continued to expand the UPS Access Point™ Network and UPS My Choice®. These each work to eliminate missed drop-off attempts and add convenience for consumers. By the end of 2015, our UPS Access Point Network included more than 24,000 locations worldwide and UPS My Choice numbered over 22 million members.

Reducing Emissions

- In 2015, we used 5.6 million gallons of renewable diesel and renewable natural gas (RNG) to fuel our ground fleet. We increased our commitment to renewable fuels, with plans to purchase up to an additional 60 million gallons of renewable diesel and RNG over the next several years. This will result in cleaner emissions and help to commercialize the market for these promising alternative fuels.
- During 2015, we added 11 new CNG refueling stations in cities throughout the U.S. and now have 33 CNG and liquefied natural gas (LNG) stations in 19 states. This infrastructure enables us to drive more than five million miles each week in our natural gas fleet. As of July 2016, we have 46 CNG and LNG stations total.
- We employ a “Rolling Laboratory” approach to determine the right alternative fuel solutions to meet the unique needs of route-specific driving environments. Our “Rolling Lab” includes more than 7,200 vehicles worldwide, spanning a wide range of technologies that include all-electric, hybrid electric, hydraulic hybrid, CNG, LNG, propane and light-weight fuel-saving composite body vehicles.
- Despite strong volume growth during the year, we held total GHG emissions in 2015 to a 2.7 percent increase over 2014.
- In 2015, we achieved a 14.5 percent reduction in our carbon intensity versus a 2007 baseline as a result of successfully executing greenhouse gas (GHG) reduction strategies in our ground and air fleets.
Through route optimization and other efficiencies, we decreased delivery miles driven in the U.S. by 0.03 percent. As a result, stops per mile improved from 1.48 in 2014 to 1.51 in 2015. This improvement allowed us to avoid driving more than 23 million miles, eliminating 2.6 million gallons of fuel use and 25,000 metric tonnes of CO2.

Despite strong growth in air volume, we have achieved a 10 percent reduction in carbon intensity at UPS Airlines since 2005 and are working toward our 2020 goal of 1.24 CO2 pounds per available ton mile.

**Social and Philanthropic**

- We logged 2.35 million volunteer hours in 2015. We are committed to contribute 20 million hours of volunteer service by the end of 2020, which translates to nearly a half-billion dollars in economic impact to nonprofit organizations around the world. The 2.35 million volunteer hours puts us past the halfway point toward our 20 million hour goal.
- In 2015, we provided 350 ground, ocean, and air humanitarian aid shipments across 50 countries, helping communities and individuals in dire need. This included shipments to Syrian refugees in Europe, to devastated communities following the earthquake in Nepal, and to those affected by the massive destruction caused by cyclone Pam in the Pacific nation of Vanatu. And, in March of this year, we committed an additional $14 million to support community safety programs, increasing our humanitarian program 40% worldwide.
- In 2015, we provided $10 million in support of initiatives that help communities become more resilient and better able to handle potential crises and disasters. We partnered with leading humanitarian relief organizations to collectively address global challenges to community resilience.
- In 2015, The UPS Foundation committed to fund the planting of 15 million trees by the end of 2020. This includes the more than 5 million trees that The UPS Foundation and its environmental partners have already planted in 46 countries since 2012.

**Reporting and Recognition**

- This is the company’s 14th annual Corporate Sustainability Report.
- UPS was selected as a constituent of the Dow Jones Sustainability World Index for the third consecutive year and was included on the North America index for the 11th consecutive year.
- For the second year in a row, we earned a perfect score of 100 in the CDP Climate Disclosure Leadership Index’s Global 500. This is the fifth consecutive year in which we have scored among the highest marks for voluntary carbon disclosure.
- In 2015, UPS was recognized by the U.S. Environmental Protection Agency (EPA) SmartWay as an industry leader in supply chain environmental and energy efficiency. UPS was awarded the recognition for being an environmentally responsible carrier that moves more goods more miles with lower emissions and less energy.
- In 2015, UPS was among the first companies to successfully apply for the Green Freight Asia Label, which recognizes a commitment to sustainable freight and delivery practices based on a third-party application assessment.