



UPS Statement: UPS Network And People Delivering On Customer Needs During Peak Holiday Season

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Network running smoothly, with industry-leading on-time delivery performance

UPS continues to deliver on customer expectations and the company's network is running smoothly heading into the second week of December.

"UPS is running one of the most successful peak holiday shipping seasons ever," said UPS CEO Carol Tomé. "With great discipline and precision, we are delivering industry-leading on-time delivery performance – all part of our focus on ensuring we maintain a reliable delivery network that all of our customers can depend on. A huge thank you goes to each of our UPS frontline heroes, who are the heartbeat of our company. Because of them, we also stand ready to begin delivering vaccines as soon as they are available for distribution."

On-Time Delivery Performance

UPS does not publicly report its own on-time delivery information. The most recently available information from **ShipMatrix** has shown UPS leading the industry:

- For Oct 1 thru 31: FedEx at 96%, UPS at 97.9% and USPS at 95.8%
- For Nov 1 thru 14: FedEx at 96.5%, UPS at 97.3% and USPS at 96.6%
- For Nov 15 to 21: FedEx at 96.6%, UPS at 96.9%, and USPS at 95.4%

UPS Planning, Preparation and Investments Have Made All the Difference

The company's ability to control and manage peak surges in volume is a direct result of the following:

Collaboration: UPS works closely with our customers to align volume with capacity during the holidays and throughout the year; this collaboration has been particularly strong this year.

Capacity: UPS has invested in its physical network as well as in our people – those efforts have allowed the company to fine-tune capacity and delivery, and align it with our customers' needs.

- o Hired approximately 100,000 seasonal employees
- o Hired 39,000 permanent, new employees between April and June.
- o Built 20 new facilities and brought on 14 additional aircraft for the peak season (in addition to the approximately 500 owned and leased aircraft in the company's global fleet).
- o Expanded our weekend operations; only carrier to provide both commercial and residential pickup and delivery on Saturdays.
- o Significantly improved the speed of our ground delivery network – UPS is now at parity or faster than FedEx in 22 of the 25 most populated areas of the U.S.

Control: We are closely managing the package volume that we take into our network, not only through close and continuous collaboration with our customers, but also by making use of advanced technologies and tools:

- o Our technology tools control package flow on critical days when volume is high, and provide visibility into specific delivery windows when there is more available capacity.

Preparing to Deliver Vaccines

UPS is proud to be a key player in the global public-private partnerships preparing to distribute vaccines to the world. We have significant knowledge and extensive expertise to meet the needs and demands of our customers for testing kit and vaccine distribution. Together with other critical players in these supply chains, we are ready to deliver what matters most. UPS is preparing highly orchestrated logistics and distribution services to support global lifesaving operations.

Why UPS Healthcare is Uniquely Ready

UPS is uniquely equipped to deliver sterile and temperature sensitive healthcare products. For more than 15 years, and under our newly organized UPS Healthcare division, UPS has been methodically building its expertise and capabilities in this highly specialized area of logistics.

Years ago, UPS recognized the need for these complex services. We made it our mission to bring the size and scale of our operations, combined with more than 113 years of experience, to the table in ways that few others can. This is a moment like no other, and it demands the expertise that UPS has developed in Healthcare Logistics. We have significant experience with distributing other vaccines, an unparalleled GMP facility footprint, clinical trials expertise through the company's Marken subsidiary, a sophisticated real-time package tracking capability called UPS Premier, dedicated freezer farms and cold chain experience, an intricate Quality System, and growing experience in home healthcare and Direct to Patient (DTP) logistics solutions. UPS will deliver.