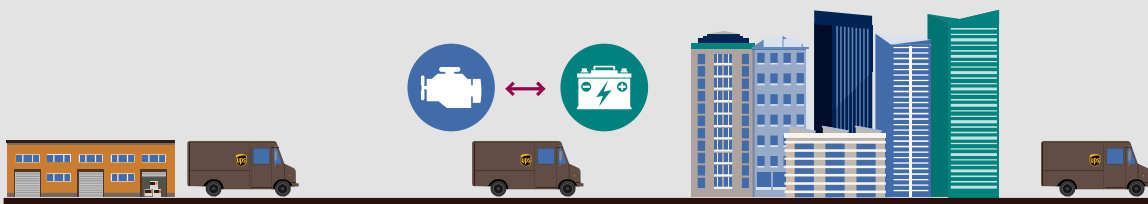




A Hybrid Solution for a Sustainable Package Journey

While the market for electric delivery vehicles is still maturing in many parts of the world, we are working with partners on creative lower-emissions solutions to help fill the gap. Such is the case with the range-extended electric vehicle (RE-EV) we've piloted since 2015 with Tevva Motors, and recently rolled out to our fleets serving Birmingham and Southampton, U.K. These vehicles offer

roughly 250 miles in range, four times that of the prior EV generation. Working in tandem with renewable natural gas (RNG)-powered tractors and fully electric vehicles, this solution is helping the city of London meet its emissions-reduction goals. With RE-EVs in our fleet, here's how a typical delivery between Birmingham and London happens today:

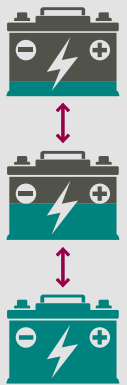


An RE-EV departs from a warehouse or depot outside a city center.

As it enters urban environments or clean air zones, geofencing technology automatically switches the vehicle to pure electric mode.

Upon leaving an urban core, propulsion switches on a Range Extender that uses an efficient diesel engine to recharge the battery.

The vehicle delivers packages to a distribution center, where they are picked up by a tractor trailer powered by RNG.



Next, packages bound for congested areas or Ultra Low Emissions Zones in cities like London are delivered by a fully electric delivery vehicle, powered by smart-grid charging technology.



Customers receive packages at their homes or pick them up at centralized UPS Access Point® locations, the latter reducing the time that vehicles must spend on the roads, as well as associated fuel and emissions.

