



The Future of Reduced Emissions: *It's a Collaborative Public Private Partnership*

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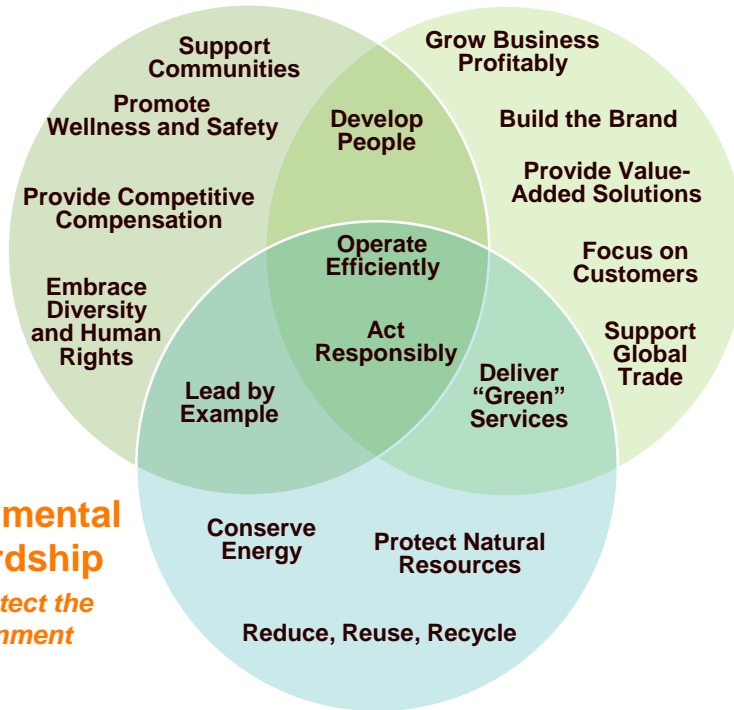
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UPS's Global Sustainability Strategy

Social Responsibility

Help Improve the Human Condition



Economic Prosperity

Help Strengthen the Enterprise

Environmental Stewardship

Help Protect the Environment

Global Alternative Fuel & Advanced Technology Vehicles

Total Vehicles (U.S. & International): 9,094

Hybrid Electric: 695

- 683 Package Cars (US)
- 12 Package Cars (International)

Electric: 312

- 122 Package Cars (US)
- 172 Package Cars (International)
- 18 Electric Bikes (International)

Propane: 2,303

- 1,176 Package Cars, Shifters (US)
- 1,127 Package Cars, Shifters (International)

Biomethane: 19

- 19 Tractors (International)

Compressed Natural Gas: 3,868

- 3,775 Package Cars, Shifters, Tractors (US)
- 93 Package Cars (International)

Liquid Natural Gas: 1,328

- 1,328 Tractors (US)

Ethanol: 80

- 80 Package Cars (International)

Composite Diesel: 398

- 398 Package Cars (US)

Hydraulic Hybrid: 91

- 91 Package Cars (US)



UPS Rolling Laboratory at a Glance

Alternative Fuel and Advanced Technology Fleet



OPERATING SITUATION

Suburban

ALTERNATIVE FUEL: **CNG & HYBRID (ELECTRIC & HYDRAULIC)**

Range: **100 MILES AVERAGE**

We're locating natural gas compressors, storage tanks, and fueling stations at large, suburban facilities to support CNG package cars.



OPERATING SITUATION

Regional (UPS HUB TO UPS HUB)

ALTERNATIVE FUEL: **LNG, CNG & BIOMETHANE (RNG)**

Range: **400-600 MILES AVERAGE LONG-HAUL**

Our LNG investments include refueling infrastructure corridors in the U.S. to service our growing natural gas fleet.



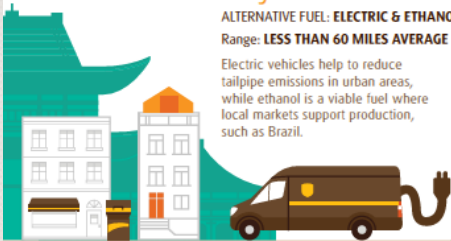
OPERATING SITUATION

City Center

ALTERNATIVE FUEL: **ELECTRIC & ETHANOL**

Range: **LESS THAN 60 MILES AVERAGE**

Electric vehicles help to reduce tailpipe emissions in urban areas, while ethanol is a viable fuel where local markets support production, such as Brazil.



OPERATING SITUATION

Rural

ALTERNATIVE FUEL: **PROPANE**

Range: **100+ MILES**

Propane provides a cost-effective fueling solution in locations with package cars that drive 100+ miles per day.



Business Case Considerations

- Diesel/gasoline/alternative fuel price spread
- Incremental cost of the alternative fuel truck
- Fueling infrastructure
- Shop modifications
- Preferential parking (no parking tickets) or urban access
- Incentives
- Maintenance
- Required internal rate of return





Thank You

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