

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2021 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2021 or fiscal plan year beginning <u>01/01/2021</u> and ending <u>12/31/2021</u>	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report ☐ the final return/report ☒ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.	☐

Part II	Basic Plan Information—enter all requested information										
1a Name of plan <u>UPS RETIREMENT PLAN</u> 2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>UNITED PARCEL SERVICE OF AMERICA, INC.</u> <u>C/O TAX DEPARTMENT</u> <u>55 GLENLAKE PARKWAY NE</u> <u>ATLANTA, GA 30328</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>09/01/1961</u></td> </tr> <tr> <td colspan="2">2b Employer Identification Number (EIN) <u>95-1732075</u></td> </tr> <tr> <td colspan="2">2c Plan Sponsor's telephone number <u>404-828-8517</u></td> </tr> <tr> <td colspan="2">2d Business code (see instructions) <u>533110</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>09/01/1961</u>		2b Employer Identification Number (EIN) <u>95-1732075</u>		2c Plan Sponsor's telephone number <u>404-828-8517</u>		2d Business code (see instructions) <u>533110</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>										
1c Effective date of plan <u>09/01/1961</u>											
2b Employer Identification Number (EIN) <u>95-1732075</u>											
2c Plan Sponsor's telephone number <u>404-828-8517</u>											
2d Business code (see instructions) <u>533110</u>											

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/19/2022	MALIKA TERRY
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2021)
v. 210624

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN	
		3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name		4b EIN 4d PN	
5 Total number of participants at the beginning of the plan year		5	153610
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).			
a(1) Total number of active participants at the beginning of the plan year.....		6a(1)	60506
a(2) Total number of active participants at the end of the plan year		6a(2)	52821
b Retired or separated participants receiving benefits.....		6b	45661
c Other retired or separated participants entitled to future benefits		6c	47823
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	146305
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	5873
f Total. Add lines 6d and 6e		6f	152178
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	278
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A 1B 1C 1D 1E			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)			
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ <u>0</u> A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2021 Form M-1 annual report. If the plan was not required to file the 2021 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>UPS RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>UNITED PARCEL SERVICE OF AMERICA, INC.</u>	D Employer Identification Number (EIN) <u>95-1732075</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2021</u>	
2 Assets:	
a Market value	2a <u>29075643120</u>
b Actuarial value	2b <u>29075643120</u>
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment.....	(1) Number of participants <u>49494</u> (2) Vested Funding Target <u>12499171202</u> (3) Total Funding Target <u>12499171202</u>
b For terminated vested participants.....	<u>44524</u> <u>1747740134</u> <u>1747740134</u>
c For active participants	<u>59617</u> <u>7114117018</u> <u>8281699641</u>
d Total.....	<u>153635</u> <u>21361028354</u> <u>22528610977</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐	
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b
5 Effective interest rate	5 <u>5.66</u> %
6 Target normal cost.....	
a Present value of current plan year accruals.....	6a <u>567437120</u>
b Expected plan-related expenses	6b <u>90000000</u>
c Total (line 6a + line 6b)	6c <u>657437120</u>

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE		<u>10/13/2022</u> Date
Signature of actuary		<u>20-07404</u> Most recent enrollment number
<u>TIMOTHY HOPPIN, F.S.A., E.A.</u> Type or print name of actuary		<u>404-224-5000</u> Telephone number (including area code)
<u>WILLIS TOWERS WATSON US LLC</u> Firm name		
<u>FIVE CONCOURSE PARKWAY SUITE 1800</u> <u>ATLANTA, GA 30328</u> Address of the firm		

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2021
v. 201209

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	7162907329
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	699662008
9 Amount remaining (line 7 minus line 8)	0	6463245321
10 Interest on line 9 using prior year's actual return of <u>14.55</u> %	0	940402194
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		0
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.81</u> %		0
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		0
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	7403647515

Part III Funding Percentages

14 Funding target attainment percentage	14	96.19 %
15 Adjusted funding target attainment percentage	15	129.06 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	92.14 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
12/30/2021	133000000	0			
09/09/2022	517000000	0			
Totals ▶			18(b)	650000000	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	595782507

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☒ No
- c** If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 4.75 %	2nd segment: 5.36 %	3rd segment: 6.11 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 62
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute				

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.....	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6c).....	31a	657437120	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	856615372	105577175	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).....	34	763014295	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	569831004	569831004
36 Additional cash requirement (line 34 minus line 35)	36	193183291	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	595782507	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	402599216	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances.....	38b	402599216	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:	
a Schedule elected	☐ 2 plus 7 years ☐ 15 years
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2021
		This Form is Open to Public Inspection.
For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan UPS RETIREMENT PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 UNITED PARCEL SERVICE OF AMERICA, INC.	D Employer Identification Number (EIN) 95-1732075	

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No
- b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

TOWERS WATSON DELAWARE

53-0181291

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
16 50	NONE	12882800	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

THE BANK OF NEW YORK MELLON

13-5160382

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
18 50	NONE	1056805	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

SECURIAN LIFE INSURANCE

41-1412669

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
22 23 51	NONE	737152	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

CONDUENT INCORPORATED

81-2983623

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
36 50	NONE	495095	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

EVIVE HEALTH, LLC

20-8578851

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 51	NONE	283537	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

AON CONSULTING INC.

59-2706923

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 17 50	NONE	222384	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

RR DONNELLEY

36-1004130

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
36 53	NONE	209897	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

DIRECT TECHNOLOGIES, INC

58-2563032

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
36 50	NONE	83406	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

DELOITTE & TOUCHE, LLP

13-3891517

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
36 50	NONE	63000	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

ALERE WELLBEING, INC

20-0231080

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
26 51	NONE	20959	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

ALSTON & BIRD, LLP

58-0137615

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
29 50	NONE	12235	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

PENSION BENEFIT INFORMATION

94-2856521

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
16 36 50	NONE	11551	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

HUMANA INSURANCE

61-1041514

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27 51	NONE	7384	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

<div>SCHEDULE D (Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div>		<div>DFE/Participating Plan Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>		<div>OMB No. 1210-0110</div> <div>2021</div> <div>This Form is Open to Public Inspection.</div>	
For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021					
A Name of plan UPS RETIREMENT PLAN				B Three-digit plan number (PN) ▶ 001	
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 UNITED PARCEL SERVICE OF AMERICA, INC.				D Employer Identification Number (EIN) 95-1732075	
Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)					
a Name of MTIA, CCT, PSA, or 103-12 IE: UPS GROUP TRUST PLAN					
b Name of sponsor of entity listed in (a): UNITED PARCEL SERVICE OF AMERICA					
c EIN-PN 35-2371556-001		d Entity code M	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 29545405796		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)		

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection
For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan UPS RETIREMENT PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 UNITED PARCEL SERVICE OF AMERICA, INC.	D Employer Identification Number (EIN) 95-1732075	

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	180000000	517000000
(2) Participant contributions.....	1b(2)		
(3) Other	1b(3)	80066	69625
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	31	364
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)	598	0
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants).....	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	29140107960	29545405796
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	12911402	68353739
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)	0	0

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(1)	Employer securities.....	1d(1)	
(2)	Employer real property.....	1d(2)	
e	Buildings and other property used in plan operation	1e	
f	Total assets (add all amounts in lines 1a through 1e)	1f	29333100057 30130829524
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	
i	Acquisition indebtedness.....	1i	
j	Other liabilities.....	1j	
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	0 0
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	29333100057 30130829524

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

		(a) Amount	(b) Total
Income			
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	717000000
	(B) Participants	2a(1)(B)	19614769
	(C) Others (including rollovers).....	2a(1)(C)	
(2)	Noncash contributions.....	2a(2)	
(3)	Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)	736614769
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	15221
	(B) U.S. Government securities	2b(1)(B)	
	(C) Corporate debt instruments	2b(1)(C)	
	(D) Loans (other than to participants)	2b(1)(D)	
	(E) Participant loans.....	2b(1)(E)	
	(F) Other	2b(1)(F)	
	(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)	15221
(2)	Dividends: (A) Preferred stock.....	2b(2)(A)	
	(B) Common stock	2b(2)(B)	
	(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)	
	(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)	0
(3)	Rents	2b(3)	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	
	(B) Aggregate carrying amount (see instructions).....	2b(4)(B)	
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)	0
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	
	(B) Other	2b(5)(B)	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)	0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		1489004887
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		2225634877
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	1337432697	
(2) To insurance carriers for the provision of benefits.....	2e(2)	669616	
(3) Other.....	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		1338102313
f Corrective distributions (see instructions).....	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)		
(4) Other.....	2i(4)	89803097	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		89803097
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1427905410
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		797729467
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☐ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☒ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **DELOITTE & TOUCHE, LLP**

(2) EIN: **13-3891517**

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

	Yes	No	Amount
4a		X	

	Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)			
4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)			
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)			
4d		X	
e Was this plan covered by a fidelity bond?	X		1000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)		X	
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☒ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 431418.

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).</div> <div>► File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2021</div> <div>This Form is Open to Public Inspection.</div>
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

A Name of plan UPS RETIREMENT PLAN	B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 UNITED PARCEL SERVICE OF AMERICA, INC.	D Employer Identification Number (EIN) 95-1732075

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 25-1926855		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	945

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
----------------	---

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☐ No	☒ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☒ No	☐ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☒ No
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Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2021
v. 201209

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....

14a

b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14b

c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14c

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year.....

15a

b The corresponding number for the second preceding plan year

15b

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year

16a

b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....

16b

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:

Stock: 35.4 % Investment-Grade Debt: 40.2 % High-Yield Debt: 1.4 % Real Estate: 2.6 % Other: 20.4 %

b Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☒ 21 years or more

c What duration measure was used to calculate line 19(b)?

☐ Effective duration ☐ Macaulay duration ☒ Modified duration ☐ Other (specify):

- 20 PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☒ No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation _____

UPS Retirement Plan

Employer ID No.: 95-1732075
Plan Number: 001

Financial Statements as of and for the
Years Ended December 31, 2021 and 2020,
Supplemental Schedule as of December 31, 2021,
and Independent Auditor's Report

UPS RETIREMENT PLAN

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	1-3
FINANCIAL STATEMENTS:	
Statements of Net Assets Available for Benefits as of December 31, 2021 and 2020	4
Statements of Changes in Net Assets Available for Benefits for the Years Ended December 31, 2021 and 2020	5
Notes to Financial Statements as of and for the Years Ended December 31, 2021 and 2020	6-27
SUPPLEMENTAL SCHEDULE—	28
Form 5500, Schedule H, Part IV, Line 4i—Schedule of Assets (Held at End of Year) as of December 31, 2021	29
NOTE: All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.	



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INDEPENDENT AUDITOR'S REPORT

To the Administrative Committee of
the UPS Retirement Plan:

Opinion

We have audited the financial statements of the UPS Retirement Plan (the "Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits as of December 31, 2021 and 2020, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2021 and 2020, and the changes in its net assets available for benefits for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for one year after the date that the financial statements are issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the Plan, and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including

maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplemental Schedule Required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of assets (held at end of year) as of December 31, 2021 is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial

statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedule is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Deloitte + Touche LLP

October 12, 2022

UPS RETIREMENT PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS AS OF DECEMBER 31, 2021 AND 2020 (In millions)

	2021	2020
ASSETS:		
Investments—at fair value:		
Plan interest in the UPS Master Trust	\$ 29,546	\$ 29,140
Assets held in 401(h) account	<u>68</u>	<u>13</u>
Total investments	29,614	29,153
Contributions receivable from Employer to Retirement Plan	517	-
Contributions receivable from Employer to 401(h)	<u>-</u>	<u>180</u>
Total assets	30,131	29,333
LIABILITIES:		
Amounts related to obligation of 401(h) account	<u>68</u>	<u>193</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 30,063</u>	<u>\$ 29,140</u>

See notes to financial statements.

UPS RETIREMENT PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020 (In millions)

	2021	2020
NET ASSETS AVAILABLE FOR BENEFITS—Beginning of year	<u>\$ 29,140</u>	<u>\$ 25,961</u>
ADDITIONS:		
Employer contributions	650	661
Net appreciation in fair value of investments	<u>1,489</u>	<u>3,699</u>
Total additions	<u>2,139</u>	<u>4,360</u>
DEDUCTIONS:		
Benefits paid to Plan beneficiaries	1,140	1,079
Administrative expenses:		
Fees and commissions	2	3
Insurance premiums to Pension Benefit Guaranty Corporation	<u>74</u>	<u>99</u>
Total deductions	<u>1,216</u>	<u>1,181</u>
NET INCREASE	<u>923</u>	<u>3,179</u>
NET ASSETS AVAILABLE FOR BENEFITS—End of year	<u>\$ 30,063</u>	<u>\$ 29,140</u>

See notes to financial statements.

UPS RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

1. DESCRIPTION OF THE PLAN

The following description of the UPS Retirement Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan document for more complete information.

General—The Plan was established on September 1, 1961 and has been amended periodically. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended, and is a noncontributory defined benefit pension plan for substantially all employees of United Parcel Service, Inc. (UPS or the "Company"), who are not members of a collective bargaining unit, or, if they are, whose bargaining unit agreement specifically provides for their participation in the Plan.

On April 30, 2021, the Plan Sponsor divested its UPS Freight business to TFI International Inc. Participants in the Plan whose employer company was UPS Ground Freight, Inc. as of April 30, 2021 ceased accruing benefits under the Plan as of April 30, 2021.

Contributions—Contributions to the Plan are made by UPS. UPS' funding policy is to contribute amounts that will at least satisfy the minimum funding requirements of ERISA, but do not exceed the maximum tax-deductible requirements of the Internal Revenue Code (IRC) as provided by the Plan's independent actuary. In accordance with this funding policy, UPS contributed \$650 million and \$661 million to the Plan for the years ended December 31, 2021 and 2020, respectively. \$517 million of the 2021 amount was remitted on September 9, 2022 and is shown as contributions receivable in the statements of net assets available for benefits. UPS met the minimum funding requirements of ERISA for the years ended December 31, 2021 and 2020.

In March 2020, the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") was enacted and extended the deadline for plan year 2019 employer contributions until January 1, 2021. As a result, the 2020 contributions were applied to the 2019 plan year for purposes of calculating Pension Benefit Guaranty Corporation ("PBGC") Premiums.

Closed Plan—The Plan was closed to new non-union participants effective July 1, 2016. The Company amended the UPS 401(k) Savings Plan so that employees who previously would have been eligible for participation in the Plan will, in addition to current benefits under the UPS 401(k) Savings Plan, begin receiving a UPS Retirement Contribution. For employees eligible to receive the Retirement Contribution, UPS will generally contribute 3% to 8% of eligible pay to the UPS 401(k) Savings Plan based on years of vesting service and business unit. Contributions will be made annually in cash to the accounts of participants.

On June 23, 2017, the Plan was amended to reflect the freeze in benefit accruals under the Plan effective January 1, 2023. The Company amended the UPS 401(k) Savings Plan so that non-union employees who currently participate in the UPS Retirement Plan will, in addition to current benefits under the UPS 401(k) Savings Plan, earn a UPS Retirement Contribution beginning January 1, 2023. UPS will contribute 5% to 8% of eligible

compensation to the UPS 401(k) Savings Plan based on years of vesting service. The amendment also provides for transition contributions for certain participants.

Pilots— There are approximately 3,200 pilots covered by the Plan (not impacted by the freeze in benefit accruals above) who are employed under a collective bargaining agreement with the Independent Pilots Association (IPA).

Participation— Participants in the Plan fall into three broad categories: Final average compensation formula, pilots, and Portable Account Formula (PAF) participants. Each of these categories is described below:

	Final Average Compensation Formula	Pilots	Portable Account Formula
Eligibility for Participation	<ul style="list-style-type: none"> • Hired before January 1, 2008 • At least 21 years old • Completed at least 750 paid hours of service during the first 12 months of hire or during any calendar year thereafter 	<ul style="list-style-type: none"> • January 1 or July 1 following attainment of age 21 • Completion of one vesting year 	<ul style="list-style-type: none"> • All eligible employees, except pilots, hired, rehired, or newly eligible on or after January 1, 2008, but before July 1, 2016.
Benefits and Vesting			
Normal Retirement	<ul style="list-style-type: none"> • Benefits commence at age 65 • Benefits are based upon years of service, age, and final average earnings • Single life as well as joint and survivor annuity options are available 	<ul style="list-style-type: none"> • Benefits commence at age 65 • Benefits are based upon rank, years of service, age, and final average earnings • Single life as well as joint and survivor annuity options are available 	<ul style="list-style-type: none"> • Benefits commence at age 65. • Participants receive annual compensation and interest credits while a participant in the Plan • Annual compensation credits are a percentage of pensionable pay based on the sum of the participant's age plus vesting service.

	Final Average Compensation Formula	Pilots	Portable Account Formula
Normal Retirement (Continued)			<ul style="list-style-type: none"> • The interest credit percentage is the annual rate of interest on the 30-year treasury securities for the month of August preceding the applicable Plan year, but not less than 2.5% per year. • Participants can take the PAF balance as a single lump sum or actuarially equivalent annuity.
Early Retirement for Active Participants	<ul style="list-style-type: none"> • Benefits are available at a reduced rate dependent upon the number of years of service and the actual age of the participant at retirement 	<ul style="list-style-type: none"> • Benefits are available at a reduced rate dependent upon the number of years of service and the actual age of the participant at retirement 	<ul style="list-style-type: none"> • Benefits are available to terminated employees as a lump sum or as an annuity. The annuity is determined by converting the PAF balance to the applicable single or joint annuity option.

	Final Average Compensation Formula	Pilots	Portable Account Formula
Early Retirement for Terminated Deferred	<ul style="list-style-type: none"> Benefits are determined as of termination date and are reduced by a certain percentage for each full or partial year that payments begin prior to Normal Retirement Age 	<ul style="list-style-type: none"> Benefits are determined as of termination date and are reduced by a certain percentage for each full or partial year that payments begin prior to Normal Retirement Age 	<ul style="list-style-type: none"> PAF balances are determined as of the end of each Plan year or at benefit commencement date, whichever is earlier. Compensation credit and interest credit is granted in the termination year, as applicable. Additionally, interest credit is granted in subsequent years if the benefit is not distributed to the participant.

	Final Average Compensation Formula	Pilots	Portable Account Formula
Disability	<ul style="list-style-type: none"> For vested participants not covered under another UPS-sponsored disability plan, disability benefits are as follows: <ul style="list-style-type: none"> A. For disabilities occurring before eligibility for normal retirement, the benefit is \$9.60 per month times the number of years of benefit service to a maximum of 30 years and is payable until the disabled participant reaches normal retirement date, elects an early retirement benefit, or dies. B. For disabilities occurring after eligibility for normal retirement, the normal retirement benefit is paid instead of the disability benefit. 	<ul style="list-style-type: none"> The Plan does not provide a disability benefit for this group <ul style="list-style-type: none"> A. Service accrues after disability as if participant remained in active employment until normal retirement date (or early retirement date, if elected). Accrual ceases if participant obtains other gainful employment, recovers from disability, or retires. B. Final average earnings are based on compensation paid during active employment prior to becoming disabled. 	<ul style="list-style-type: none"> The Plan does not provide a disability benefit for this group

	Final Average Compensation Formula	Pilots	Portable Account Formula
Preretirement Death Benefit	<ul style="list-style-type: none"> 50% of the benefit that would have been payable to the spouse or domestic partner, assuming early retirement on the date of death or earliest retirement date if later and election of a 50% joint and survivor benefit 	<ul style="list-style-type: none"> 50% of the benefit that would have been payable to the spouse, assuming early retirement on the date of death or earliest retirement date if later and election of a 50% joint and survivor benefit 	<ul style="list-style-type: none"> The surviving spouse or domestic partner will be entitled to receive the PAF balance as a single lump sum or actuarially equivalent life annuity based on the surviving spouse's age at commencement
Vesting	<ul style="list-style-type: none"> Completion of five years of service 	<ul style="list-style-type: none"> Completion of one vesting year 	<ul style="list-style-type: none"> Completion of three years of service

All benefits and compensation for any calendar year may not exceed the maximum limitation for that year as defined in the IRC. The Plan provides for increasing the dollar limits automatically as such changes become effective.

Lump Sum Distribution—There were no options to receive a one-time payment of vested benefit in 2021 or 2020.

401(h) Account—The Plan was amended on January 1, 1976, to include a medical benefit component in addition to the normal retirement benefits to fund a portion of the postretirement obligation for retirees and their beneficiaries in accordance with Section 401(h) of the Internal Revenue Code ("IRC"). A separate account has been established and maintained in the Plan for the net assets related to the medical benefit component ("401(h) account"). The related obligations for health and welfare benefits are not included in this Plan's obligations but are reflected as obligations in the financial statements of the UPS Retired Employees Health Care Plan. Plan participants reimburse the 401(h) account for certain health and welfare benefits received, which are not covered under the Plan. Participant reimbursements to the 401(h) account were \$20 million and \$17 million in 2021 and 2020, respectively. Certain of the Plan's net assets are restricted to fund a portion of postretirement health benefits for retirees and their beneficiaries in accordance with IRC Section 401(h).

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting—The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

Use of Estimates—The preparation of financial statements in conformity with GAAP requires Plan management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein; disclosure of contingent assets and

liabilities; and the actuarial present value of accumulated plan benefits and changes therein at the date of the financial statements. Actual results could differ from those estimates. In particular, a number of estimates have been and will continue to be affected by the ongoing COVID-19 pandemic. The pandemic and its economic consequences remain uncertain, are changing and are difficult to predict. As a result, our accounting estimates and assumptions may change over time.

Master Trust— See Note 5.

Risks and Uncertainties—The Plan and the Master Trust utilize various investment securities, including common and preferred stocks, corporate debt instruments, U.S. government securities, money market funds, collective trust funds, registered investment companies, 103-12 investment entities, derivative instruments, repurchase agreements, reverse repurchase agreements, partnerships, joint ventures, and real estate. Investment securities, in general, are exposed to various risks, such as interest rate risk, credit risk, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term, and that such changes could materially affect the amounts reported in the financial statements.

Plan contributions are made, and the actuarial present value of accumulated plan benefits is reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near-term would be material to the financial statements.

Investment Valuation and Income Recognition—Investments are stated at fair value. If available, quoted market prices are used to value investments. Certain investments' estimated fair values are based on unobservable inputs that are not corroborated by observable market data and are thus classified as Level 3. Investments that do not have a readily determinable fair value, but which provide a net asset value ("NAV") (or its equivalent) developed consistent with Financial Accounting Standards Board ("FASB") measurement principles as of December 31, are valued using NAV as a practical expedient. These investments are not classified in Levels 1, 2, or 3 of the fair value hierarchy, but are included in the totals in the tables shown in Note 7. Purchases and sales are recorded on a trade-date basis. Interest is recorded on an accrual basis. Dividends are recorded on the ex-dividend date.

Payment of Benefits—Benefit payments to participants are recorded upon distribution.

Expenses—Administrative expenses of the Plan are paid by the Plan, as provided in the Plan document.

Subsequent Events—For the year ended December 31, 2021, subsequent events were evaluated through October 12, 2022, the date the financial statements were available to be issued.

3. PLAN TERMINATION

Although it has not expressed any intention to do so, UPS has the right under the Plan, in certain circumstances, to discontinue its contributions at any time and, subject to collective bargaining for represented employees, to terminate the Plan.

In the event of termination of the Plan, the Plan assets shall be allocated in accordance with priorities specified in Section 4044 of ERISA. Generally, Section 4044 provides the following priorities:

- The lowest benefit in pay status for at least three years (or which would have been if the participant had retired that long ago)
- Other insured benefits
- Other noninsured, nonforfeitable benefits
- All other benefits

Certain benefits under the Plan are insured by the Pension Benefit Guaranty Corporation ("PBGC") if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivors' pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations.

Whether all participants receive their benefits, should the Plan terminate at some future time, will depend on the sufficiency, at that time, of the Plan's net assets to provide those benefits, the priority of those benefits to be paid, and may also depend on the level of benefits guaranteed by the PBGC at that time. Some benefits may be fully or partially provided for by the existing assets and the PBGC guaranty, while other benefits may not be provided at all.

4. ACCUMULATED PLAN BENEFITS

Accumulated plan benefits are those future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits payable under all circumstances—retirement, death, disability, and termination of employment—are included to the extent they are deemed attributable to employee service rendered to the valuation date. Benefits to be provided via annuity contracts excluded from Plan assets are excluded from accumulated plan benefits.

The actuarial present value of accumulated plan benefits is determined by an independent actuary. The amount results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts of interest) and the probability of payment (by means of decrements, such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

The significant actuarial assumptions used in the valuations as of December 31, 2021 and 2020, are as follows:

	2021	2020
Mortality	Pri-2012 healthy no collar mortality table, separate tables for retirees and contingent survivors, with MP-2021 mortality improvements after 2012 assuming the long-term rate of mortality improvement phases down to 0.5% by 2026.	Pri-2012 healthy no collar mortality table, separate tables for retirees and contingent survivors, with MP-2020 mortality improvements after 2012 assuming the long-term rate of mortality improvement phases down to 0.5% by 2025.
Discount rate	5.75 %	5.75 %
Average retirement age	62.2	62.4

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

The actuarial present values of the Plan's accumulated plan benefits as of December 31, 2021 and 2020, are as follows (in millions):

	2021	2020
Vested benefits:		
Other participants	\$ 8,858	\$ 8,774
Participants and/or beneficiaries currently receiving benefits	<u>13,037</u>	<u>12,114</u>
Total vested benefits	21,895	20,888
Nonvested benefits	<u>1,033</u>	<u>1,100</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 22,928</u>	<u>\$ 21,988</u>

The changes in the actuarial present value of the Plan's accumulated plan benefits for the years ended December 31, 2021 and 2020, are as follows (in millions):

Actuarial present value of accumulated plan benefits—December 31, 2019	\$17,771
Increase (decrease) during the year attributable to:	
Additional benefits accumulated	335
Benefits paid	(1,079)
Decrease in the discount period	1,265
Actuarial loss	218
Actuarial assumption changes ¹	3,357
Plan amendment ²	<u>121</u>
Total increase	<u>4,217</u>
Actuarial present value of accumulated plan benefits—December 31, 2020	21,988
Increase (decrease) during the year attributable to:	
Additional benefits accumulated	548
Benefits paid	(1,140)
Decrease in the discount period	1,263
Actuarial loss	81
Actuarial assumption changes ³	<u>188</u>
Total increase	<u>940</u>
Actuarial present value of accumulated plan benefits—December 31, 2021	<u>\$22,928</u>

¹ The assumption changes include a \$3.296 billion increase in the present value of accumulated plan benefits due to change in discount rate from 7.20% to 5.75% and a \$61 million increase in the present value of accumulated plan benefits due to updates to the mortality tables and adjustments related to the voluntary separation program offered in 2020.

² The plan amendment includes a \$121 million increase in the present value of accumulated plan benefits due to the Pilots contract extension, which was ratified on March 31, 2020.

³ The assumption changes include a \$154 million increase due to the recent experience study, and a \$34 million increase due to updates to the mortality tables.

5. INTEREST IN MASTER TRUST

As of December 31, 2021 and 2020, the majority of the Plan's investment assets are maintained in trust accounts at Bank of New York Mellon (the "Trustee"). These accounts consist of undivided interests in multiple investment accounts of the UPS Group Trust (the "Master Trust"), a master trust established by the Plan Sponsor and administered by the Trustee.

The Master Trust is structured with multiple investment funds ("sleeves") each representing a particular asset class. Each sleeve consists of master trust units representing shares of ownership of the sleeve and its underlying investments. The

undivided interests owned by each of the participating plans are held in these master trust units. Each participating plan owns master trust units of individual investment sleeves in accordance with its investment policy statement.

As of December 31, 2021, the following plans participate in the Master Trust:

- (1) the UPS Retirement Plan (the "Plan"),
- (2) the UPS Pension Plan and
- (3) the UPS/IBT Full-Time Employee Pension Plan.

Each participating plan has an undivided interest in the Master Trust's various investment sleeves. At December 31, 2021 and 2020, the Plan's interest in the net assets of The Master Trust was 53% and 55%, respectively.

The following table presents each investment sleeve and the percentage of ownership by participating plans within the sleeve as of December 31, 2021 and 2020:

	UPS Retirement Plan		UPS Pension Plan		UPS/IBT Full-Time Employee Pension Plan	
	2021 Sleeve	2020 Sleeve	2021 Sleeve	2020 Sleeve	2021 Sleeve	2020 Sleeve
Public Equity	42%	40%	26%	27%	32%	33%
Fixed Income - Rates	75%	82%	11%	8%	14%	10%
Fixed Income - Corporate	50%	50%	23%	23%	27%	27%
Fixed Income - Overlay	56%	49%	23%	26%	21%	25%
Fixed Income - Long Duration (IBT)	-	-	-	-	100%	-
Fixed Income - Long Duration (Pension)	-	-	100%	-	-	-
Fixed Income - Long Duration (Retirement)	100%	-	-	-	-	-
Liquid Alternatives	49%	49%	26%	26%	25%	25%
Credit I	49%	49%	26%	26%	25%	25%
Credit II	-	-	50%	50%	50%	50%
Private Equity I	49%	49%	26%	26%	25%	25%
Private Equity II	-	-	50%	50%	50%	50%
Real Estate I	49%	49%	26%	26%	25%	25%
Real Estate II	-	-	50%	50%	50%	50%
Cash	60%	44%	18%	24%	22%	32%

The fair value of net assets and investments of the Master Trust at December 31, 2021 and 2020, is summarized as follows (in millions):

	2021		2020	
	Retirement Plan	Group Trust	Retirement Plan	Group Trust
Investments:				
U.S. government securities	\$ 16,532	\$ 27,713	\$ 12,870	\$ 17,011
103-12 investment entities—hedge funds	144	295	129	264
Common and collective trusts	3,326	7,191	3,562	7,914
Common and preferred stock	7,164	13,847	4,356	10,711
Corporate debt instruments	3,179	6,375	3,147	6,315
Interest-bearing cash	65	112	26	59
Derivative instruments and other investments	2,603	3,745	382	775
Partnerships, joint ventures, and real estate	5,084	11,723	4,374	9,216
Registered investment companies	<u>1,089</u>	<u>2,371</u>	<u>568</u>	<u>1,407</u>
Total investments	<u>39,186</u>	<u>73,372</u>	<u>29,414</u>	<u>53,672</u>
Unsettled securities transactions receivable (payable):				
Interest and dividends	68	157	49	105
Due from brokers	23	25	83	127
Accrued expenses	(3)	(7)	(1)	(3)
Derivative instruments and other investments	(9,595)	(17,313)	(144)	(285)
Other receivables	66	125	-	-
Other payables	<u>(199)</u>	<u>(375)</u>	<u>(261)</u>	<u>(478)</u>
Total unsettled securities transactions receivable (payable)	<u>(9,640)</u>	<u>(17,388)</u>	<u>(274)</u>	<u>(534)</u>
Contributions receivable		<u>1,887</u>		<u>-</u>
Net assets of the Master Trust	<u>\$ 29,546</u>	<u>\$ 57,871</u>	<u>\$ 29,140</u>	<u>\$ 53,138</u>
Net assets of the Master Trust-excluding contribution receivable		<u>\$ 55,984</u>		<u>\$ 53,138</u>
Plan's interest in the Master Trust as a percentage of the total, rounded		<u>53 %</u>		<u>55 %</u>

Although assets of multiple plans are commingled in the Master Trust, the Trustee maintains supporting records for the purpose of allocating the net gain or loss of the investment account to the participating plans. The net investment income and administrative expenses are allocated by the Trustee to each participating plan based on the relationship of the interest of each plan in each asset class sleeve to the total of the interests of the participating plans in the respective asset class sleeves.

The net investment earnings of the Master Trust for the years ended December 31, 2021 and 2020, are summarized below (in millions):

	2021	2020
Dividend and interest income	\$ 603	\$ 528
Net appreciation in fair value of investments	4,102	5,505
Master Trust administrative expenses	<u>(137)</u>	<u>(122)</u>
Investment income of Master Trust	<u>\$ 4,568</u>	<u>\$ 5,911</u>
Plan's interest in investment income of Master Trust	<u>\$ 1,489</u>	<u>\$ 3,699</u>

6. INVESTMENTS

As of December 31, 2021 and 2020, the Plan's investments are presented at fair value, which has been determined based on the fair value of the underlying investments of the Master Trust.

Pension assets utilizing Level 1 inputs include fair values of equity investments and U.S. government securities that were determined by closing prices for those securities traded on national stock exchanges, while securities traded in the over-the-counter market and listed securities for which no sale was reported on the valuation date are valued at the mean between the last reported bid and ask prices.

Level 2 assets include certain bonds that are valued based on yields currently available on comparable securities of other issues with similar credit ratings, mortgage-backed securities that are valued based on cash flow and yield models using acceptable modeling and pricing conventions, certain equity instruments and certain investments that are pooled with other investments held by the trustee in a commingled employee benefit trust fund. The investments in the commingled funds, including collective trust funds, are valued by taking the percentage owned by the respective plan in the fair value of the underlying investments of the trust fund, which was determined in accordance with the paragraph above.

Certain investments' estimated fair values are based on unobservable inputs that are not corroborated by observable market data and are thus classified as Level 3.

Investments that do not have a readily determinable fair value, and which provide a NAV (or its equivalent) developed consistent with FASB measurement principles, are valued using NAV as a practical expedient. These investments are not classified in Levels 1, 2, or 3 of the fair value hierarchy, but are included in the totals in tables shown in Note 7. These investments include fixed income, hedge funds, private equity, credit and real estate. Investments in hedge funds are valued using reported NAVs as of December 31. Investments in fixed income, private equity, credit and real estate are valued using fair values per the most recent audited financial statements, adjusted, as appropriate, for any activity between the date of the financial reports and December 31. The fair values may, due to the inherent uncertainty of valuation for those alternative investments, differ significantly from the values that would have been used had a ready market for the alternative investments existed, and any differences could be material.

Approximately \$7.191 billion and \$7.914 billion of the Master Trust assets are held in commingled funds that each hold U.S. and international public market securities for the years ended December 31, 2021 and 2020, respectively. The Master Trust held the right to liquidate its positions in these commingled funds at any time, subject only to a brief notification period. No unfunded commitment existed with respect to these commingled stock funds at December 31, 2021 and 2020.

The Master Trust held approximately \$7.786 billion and \$6.433 billion of its investments in interests in various private equity, credit and real estate funds as of December 31, 2021 and 2020, respectively. Limited provision exists for the redemption of these interests by the general partners that invest these funds until the end of the term of the interests, typically ranging between 10 and 15 years from the date of inception. An active secondary market exists for similar interests, although no particular value (discount or premium) can be guaranteed. At December 31, 2021 and 2020, unfunded commitments to such interests totaling approximately \$3.042 billion and \$3.256 billion, respectively, are expected to be contributed over the remaining investment period, typically ranging between three and six years.

The Master Trust held certain investments in interests in various fixed income funds as of December 31, 2021 and 2020. No unfunded commitments existed with respect to fixed income funds as of December 31, 2021 and 2020.

As of December 31, 2021 and 2020, approximately \$3.230 billion and \$2.483 billion of the Master Trust investments are held in hedge funds that pursue multiple strategies to diversify risk and reduce volatility. Most of the funds require between two and three months' notice and allow redemptions either quarterly or semiannually while some allow for redemption after only a brief notification period with no restriction on redemption frequency. No unfunded commitments existed with respect to hedge funds as of December 31, 2021 and 2020.

7. FAIR VALUE MEASUREMENTS

ASC 820, *Fair Value Measurements and Disclosures*, provides a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value as follows: Level 1, which refers to securities valued using unadjusted quoted prices from active markets for identical assets; Level 2, which refers to securities not traded on an active market but for which observable market inputs are readily available; and Level 3, which refers to securities valued based on significant unobservable inputs. Assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

Certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been classified as Levels 1, 2 or 3 in the below fair value hierarchy, but are included in the total.

Investments made by the plan outside of the Master Trust include cash and cash equivalents. Level 1 inputs are used to determine the fair value of these investments.

The following table sets forth by level, within the fair value hierarchy, a summary of the Master Trust investment assets at fair value (in millions) at December 31, 2021.

Master Trust Assets Fair Value Measurements at December 31, 2021 ²				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Common and preferred stocks:				
Emerging markets	\$ 1,323	\$ -	\$ -	\$ 1,323
Fixed income	3,848	15	-	3,863
Global equity	2,325	-	-	2,325
International equity	1,865	-	-	1,865
Real estate	313	51	-	364
U.S. large cap	3,590	-	-	3,590
U.S. small cap	517	-	-	517
Total common and preferred stocks	13,781	66	-	13,847
Corporate debt instruments	-	6,361	14	6,375
U.S. government securities	27,249	464	-	27,713
Interest-bearing cash	41	71	-	112
Registered investment companies:				
Emerging markets	160	-	-	160
International Equity	-	-	-	-
Fixed Income	250	-	-	250
U.S. large cap	1,961	-	-	1,961
U.S. small cap	-	-	-	-
Total registered investment companies	2,371	-	-	2,371
Collective trust funds:				
Emerging markets	-	663	-	663
Global equity	-	153	-	153
International equity	-	1,449	-	1,449
U.S. large cap	-	4,017	-	4,017
Hedge Funds	-	104	-	104
Fixed Income	-	805	-	805
Total collective trust funds	-	7,191	-	7,191
Derivative instruments and other investments, net ¹	550	(14,590)	-	(13,568)
Partnerships, joint ventures, and real estate:				
International Equity	-	707	-	707
Hedge funds ¹	-	1,901	-	3,230
Private equity ¹	-	-	-	4,606
Credit ¹	-	298	-	1,388
Real estate ¹	-	-	-	1,792
Total partnerships, joint ventures, and real estate	-	2,906	-	11,723
103-12 investment entities—hedge funds ¹	-	-	-	295
Total investments	\$ 43,992	\$ 2,469	\$ 14	\$ 56,059

The following table sets forth by level, within the fair value hierarchy, a summary of the Master Trust investment assets at fair value (in millions) at December 31, 2020.

Master Trust Assets Fair Value Measurements at December 31, 2020 ²				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Common and preferred stocks:				
Emerging markets	\$ 1,346	\$ -	\$ -	\$ 1,346
Fixed income	-	18	-	18
Global equity	2,628	-	-	2,628
International equity	1,909	-	-	1,909
Real estate	243	62	-	305
U.S. large cap	4,111	-	-	4,111
U.S. small cap	394	-	-	394
Total common and preferred stocks	<u>10,631</u>	<u>80</u>	<u>-</u>	<u>10,711</u>
Corporate debt instruments	<u>-</u>	<u>6,312</u>	<u>3</u>	<u>6,315</u>
U.S. government securities	<u>16,345</u>	<u>666</u>	<u>-</u>	<u>17,011</u>
Interest-bearing cash	<u>38</u>	<u>21</u>	<u>-</u>	<u>59</u>
Registered investment companies:				
Emerging markets	157	-	-	157
International Equity	26	-	-	26
U.S. large cap	1,221	-	-	1,221
U.S. small cap	<u>3</u>	<u>-</u>	<u>-</u>	<u>3</u>
Total registered investment companies	<u>1,407</u>	<u>-</u>	<u>-</u>	<u>1,407</u>
Collective trust funds:				
Emerging markets	-	675	-	675
Global equity	-	316	-	316
International equity	-	1,919	-	1,919
U.S. large cap	-	4,066	-	4,066
Hedge Funds	-	87	-	87
Fixed Income	<u>-</u>	<u>851</u>	<u>-</u>	<u>851</u>
Total collective trust funds	<u>-</u>	<u>7,914</u>	<u>-</u>	<u>7,914</u>
Derivative instruments and other investments ¹	<u>(10)</u>	<u>350</u>	<u>-</u>	<u>775</u>
Partnerships, joint ventures, and real estate:				
International Equity	-	300	-	300
Hedge funds ¹	-	1,194	-	2,483
Private equity ¹	-	-	-	3,336
Credit ¹	-	371	-	1,507
Real estate ¹	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,590</u>
Total partnerships, joint ventures, and real estate	<u>-</u>	<u>1,865</u>	<u>-</u>	<u>9,216</u>
103-12 investment entities—hedge funds ¹	<u>-</u>	<u>-</u>	<u>-</u>	<u>264</u>
Total investments	<u>\$ 28,411</u>	<u>\$ 17,208</u>	<u>\$ 3</u>	<u>\$ 53,672</u>

¹ Certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy but are included in the category totals.

- ² The Investment Committee of the Master Trust has established and instituted the Investment Policy Statement (IPS) to implement and monitor investment strategies and/or guidelines across asset classes. The Master Trust's IPS addresses the below items such as establishing appropriate governance provisions; defining investment objectives; determining strategic asset allocation; monitoring and reporting the investments on a regular basis; appointing/dismissing investment managers, custodians, consultants, advisors; risk management (including various measures used to evaluate risk tolerance); determining/defining the mandates for investment managers; rebalancing of assets; and determining investment restrictions/prohibited investments.

Pension assets are invested in accordance with applicable laws and regulations. The primary long-term investment objectives for pension assets are to provide for a reasonable amount of long-term growth of capital to meet future obligations while minimizing risk exposures and reducing funded status volatility. The Master Trust meets these objectives by employing investment managers who are engaged to actively manage assets within the guidelines and strategies set forth by the Investment Committee of the Master Trust. Active managers are monitored regularly and their performance is compared to applicable benchmarks.

The following table presents a roll-forward from the beginning to ending balances of the fair value measurements using significant unobservable inputs (Level 3) (in millions) for the years ended December 31, 2021 and 2020:

	Corporate Debt Instruments
Beginning balance—January 1, 2020	\$ -
Actual return on assets:	
Assets held at end of year	-
Assets sold during the year	(5)
Purchases	9
Sales	(1)
Settlements	-
Transfers in and/or out of level 3	<u>-</u>
Ending balance—December 31, 2020	3
Actual return on assets:	
Assets held at end of year	-
Assets sold during the year	(16)
Purchases	33
Sales	(6)
Settlements	-
Transfers in and/or out of level 3	<u>-</u>
Ending balance—December 31, 2021	<u>\$ 14</u>

The valuation methods as described in Note 6 may produce a fair value estimate that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

8. DERIVATIVE FINANCIAL INSTRUMENTS

ASC 815, Derivatives and Hedging, requires disclosures on how and why derivative instruments are used, accounted for, and affect the results of operations and financial position. The Master Trust does not designate derivatives as hedging instruments under ASC 815. The Master Trust investments are exposed to interest rate risk, foreign currency risk, credit risk, equity risk, and commodity risk.

Interest rate risk is the risk of change in the market value of the assets due to a change in interest rates. Futures contracts, interest rate swaps, total return swaps, repurchase agreements, and option contracts on interest rate swaps are generally used to manage interest rate risk, adjust portfolio duration, or enhance performance.

Foreign currency risk is the risk of a change in market value due to the change in foreign currency exchange rates. Foreign exchange forwards, options, and futures contracts on foreign currencies are generally used to manage foreign currency risks. Forwards, options and futures are used to achieve the desired currency exposure or enhance performance.

Equity risk is the risk of a change in market value in a specific equity security. Diversification of an equity portfolio, futures contracts and total return swaps are generally used to manage equity risk.

As of December 31, 2021 and 2020, the Master Trust has invested in derivative contracts, which are reflected in the Master Trust's statements of net assets as follows (in millions):

	Interest Rate	Foreign Currency	Credit	Equity	Commodity	Total
December 31, 2021						
Investments:						
Derivative instruments and Other Investments	2,645	(1)	17	39	(7)	2,693
Total Investments	<u>\$ 2,645</u>	<u>\$ (1)</u>	<u>\$ 17</u>	<u>\$ 39</u>	<u>\$ (7)</u>	<u>\$ 2,693</u>
Unsettled securities transactions receivable (payable):						
Derivative instruments and other investments	(17,037)	-	-	(95)	-	(17,132)
Other receivables	-	37	-	-	-	37
Total unsettled securities transactions receivable (payable):	<u>\$ (17,037)</u>	<u>\$ 37</u>	<u>\$ -</u>	<u>\$ (95)</u>	<u>\$ -</u>	<u>\$ (17,095)</u>
December 31, 2020						
Investments:						
Derivative instruments and Other Investments	-	2	16	20	-	38
Total Investments	<u>\$ -</u>	<u>\$ 2</u>	<u>\$ 16</u>	<u>\$ 20</u>	<u>\$ -</u>	<u>\$ 38</u>
Unsettled securities transactions receivable (payable):						
Derivative instruments and other investments	(40)	-	-	(76)	-	(116)
Other payables	-	(89)	-	-	-	(89)
Total unsettled securities transactions receivable (payable):	<u>\$ (40)</u>	<u>\$ (89)</u>	<u>\$ -</u>	<u>\$ (76)</u>	<u>\$ -</u>	<u>\$ (205)</u>

Realized and unrealized gains or losses for derivative instruments are recorded in net appreciation/(depreciation) in fair value of investments on the Master Trust's schedule of net investment earnings (Note 5). The following table sets forth the net gain or loss by underlying risk exposure for all derivative instruments during the years ended December 31, 2021 and 2020 (in millions):

Derivative Contracts	Net gains (losses)	
	2021	2020
Credit Risk Contracts	(1)	(11)
Equity Risk Contracts	(141)	(885)
Foreign Currency Risk Contracts	174	(119)
Interest Rate Risk Contracts	(149)	20
Commodity Risk Contracts	54	-
Total	\$ (63)	\$ (995)

The Master Trust is subject to master netting agreements with certain counterparties. These agreements govern the terms of certain transactions and reduce the counterparty risk associated with relevant transactions by specifying offsetting mechanisms and collateral posting arrangements at prearranged exposure levels. Since different types of transactions have different mechanics and are sometimes traded out of different legal entities of a particular counterparty organization, each type of transaction may be covered by a different master netting arrangement possibly resulting in the need for multiple agreements with a single counterparty. Master netting agreements are specific to each different asset type; therefore, they allow the Master Trust to close out and net its total exposure to a specified counterparty in the event of a default with respect to all transactions governed under a single agreement with the counterparty.

The following is a summary by financial instrument type of the Master Trust's net exposure to derivative assets and liabilities available for offset, and net of collateral under master agreements at December 31, 2021 (in millions):

	(i)	(ii)	(iii) = (i) + (ii)	(iv)	(v) = (iii) + (iv)
Instrument Type	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Statement of Net Assets Available for Benefits	Net Amounts of Assets Presented in the Statement of Net Assets Available for Benefits	Gross Amounts Not Offset in the Statement of Net Assets Available for Benefits	
				Financial Instruments	Cash Collateral Received
Credit default swaps	\$ 17	\$ -	\$ 17	\$ -	\$ (4)
Forward contracts	3,736	(3,699)	37	-	(1)
Futures contracts	46	(14)	32	-	-
Interest rate swaps	30	(30)	-	-	-
Repurchase agreements	2,580	-	2,580	(1,227)	-
Securities lending	224	-	224	-	(224)
Total return swaps	84	(22)	62	-	(29)
Swaptions	2	-	2	(2)	-
Total financial instruments	\$6,719	\$ (3,765)	\$ 2,954	\$ (1,229)	\$ (258)
	(i)	(ii)	(iii) = (i) + (ii)	(iv)	(v) = (iii) + (iv)
Instrument Type	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Statement of Net Assets Available for Benefits	Net Amounts of Liabilities Presented in the Statement of Net Assets Available for Benefits	Gross Amounts Not Offset in the Statement of Net Assets Available for Benefits	
				Financial Instruments	Cash Collateral Pledged
Credit default swaps	\$ -	\$ -	\$ -	\$ -	\$ -
Forward contracts	3,699	(3,699)	-	-	-
Futures contracts	14	(14)	-	-	-
Interest rate swaps	52	(30)	22	-	(22)
Repurchase agreements	16,929	-	16,929	(1,227)	-
Security lending	-	-	-	-	-
Total return swaps	198	(22)	176	-	(6)
Swaptions	5	-	5	(2)	(3)
Total financial instruments	\$ 20,897	\$ (3,765)	\$ 17,132	\$ (1,229)	\$ (31)

At December 31, 2021, the Master Trust held \$34 million in collateral under derivative instruments and \$224 million in collateral under securities lending agreements. The Master Trust pledged \$103 million of collateral under derivative contracts at December 31, 2021.

The following is a summary by financial instrument type of the Master Trust's net exposure to derivative assets and liabilities available for offset, and net of collateral under master agreements at December 31, 2020 (in millions):

	(i)	(ii)	(iii) = (i) + (ii)	(iv)		(v) = (iii) + (iv)
		Gross Amounts Offset in the Statement of Net Assets Available for Benefits	Net Amounts of Assets Presented in the Statement of Net Assets Available for Benefits	Gross Amounts Not Offset in the Statement of Net Assets Available for Benefits		
Instrument Type	Gross Amounts of Recognized Assets			Financial Instruments	Cash Collateral Received	Net Amount
Credit default swaps	\$ 17	\$ (1)	\$ 16	\$ -	\$ (2)	\$ 14
Forward contracts	3,794	(3,792)	2	-	(3)	(1)
Futures contracts	5	(1)	4	-	-	4
Interest rate swaps	10	(10)	-	-	(4)	(4)
Securities lending	410	(257)	153	(72)	-	81
Total return swaps	10	(2)	8	-	(11)	(3)
Equity index options	<u>9</u>	<u>(1)</u>	<u>8</u>	<u>-</u>	<u>(3)</u>	<u>5</u>
Total financial instruments	\$4,255	(\$4,064)	\$ 191	\$ (72)	\$ (23)	\$ 96

	(i)	(ii)	(iii) = (i) + (ii)	(iv)	(v) = (iii) + (iv)	
		Gross Amounts Offset in the Statement of Net Assets Available for Benefits	Net Amounts of Liabilities Presented in the Statement of Net Assets Available for Benefits	Gross Amounts Not Offset in the Statement of Net Assets Available for Benefits		
Instrument Type	Gross Amounts of Recognized Liabilities			Financial Instruments	Cash Collateral Pledged	Net Amount
Credit default swaps	\$ 1	\$ (1)	\$ -	\$ (1)	\$ (11)	\$ (12)
Forward contracts	3,881	(3,792)	89	-	(3)	86
Futures contracts	15	(1)	14	(3)	(1)	10
Interest rate swaps	36	(10)	26	-	(5)	21
Securities lending	259	(257)	2	-	-	2
Total return swaps	78	(2)	76	-	-	76
Equity index options	1	(1)	-	-	-	-
Total financial instruments	\$4,271	(\$4,064)	\$ 207	\$ (4)	\$ (20)	\$ 183

At December 31, 2020, the Master Trust held \$23 million in collateral under derivative instruments and \$72 million in collateral under securities lending agreements. The Master Trust pledged \$24 million of collateral under derivative contracts at December 31, 2020.

9. FEDERAL INCOME TAX STATUS

The Internal Revenue Service (IRS) has determined and informed the Company by a letter dated October 15, 2015, that the Plan and related trust were designed in accordance with the applicable regulations of the IRC. The Plan has been amended since receiving the determination letter; however, the Company and the Plan management believe that the Plan is currently designed and operated in compliance with the applicable requirements of the IRC, and the Plan and related trust continue to be tax-exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2021, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2018.

10. EXEMPT PARTY-IN-INTEREST TRANSACTIONS

Certain Plan and Master Trust investments are managed by Bank of New York Mellon. Bank of New York Mellon is the trustee as defined by the Plan, and therefore, these transactions qualify as exempt party-in-interest transactions. Fees paid by the Plan for the investment management and associated trustee/custodian services were \$1.1 million for both of the years ended December 31, 2021 and 2020.

11. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

A reconciliation of amounts reported in the Plan's financial statements to amounts reported in the Form 5500 is required by ERISA. The following is a reconciliation of net assets available for pension benefits per the financial statements to the Form 5500 for the years ended December 31, 2021 and 2020.

	2021	2020
Net assets available for pension benefits per the financial statements	\$ 30,063	\$ 29,140
Net assets held in 401(h) account included as assets in the Form 5500	<u>68</u>	<u>193</u>
Net assets available for pension benefits per the Form 5500	<u>\$ 30,131</u>	<u>\$ 29,333</u>

The net assets of the 401(h) account included in the Form 5500 are not available to pay pension benefits, but can be used only to pay retiree health benefits.

The following is a reconciliation of the changes in net assets available for pension benefits per the financial statements to the Form 5500 (in millions):

	2021		
	Amounts per Financial Statements	401(h) Account	Amounts per Form 5500
Employer contributions	\$ 650	\$ 67	\$ 717
Employee contributions	-	20	20
Net appreciation in fair value of investments	1,489	-	1,489
Benefits paid to Plan beneficiaries	1,140	197	1,337
Benefits paid to insurance carrier	-	1	1
Administrative expenses	76	13	89

	2020		
	Amounts per Financial Statements	401(h) Account	Amounts per Form 5500
Employer contributions	\$ 661	\$ 180	\$ 841
Employee contributions	-	17	17
Net appreciation in fair value of investments	3,699	-	3,699
Benefits paid to Plan beneficiaries	1,079	181	1,260
Benefits paid to insurance carrier	-	1	1
Administrative expenses	102	12	114

12. SUBSEQUENT EVENTS

On August 12, 2022, the IPA ratified a two-year contract extension, resulting in the collective bargaining agreement becoming amendable September 1, 2025. This new agreement will provide improvements in compensation and retirement benefits.

* * * * *

SUPPLEMENTAL SCHEDULE

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26

Schedule of Active Participant Data as of January 1, 2021

Number and average plan compensation limited by IRC §401(a)(17) distributed by attained age and attained years of credited service

Attained Age	Attained Years of Credited Service ¹										Total
	Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Over	
Under 25	6	93	332	0	0	0	0	0	0	0	431
		42,874	52,252								49,984
25-29	34	453	3,187	143	0	0	0	0	0	0	3,817
	60,006	61,857	66,605	78,816							66,440
30-34	52	372	2,945	2,096	284	0	0	0	0	0	5,749
	70,052	76,872	74,542	82,320	94,566						78,477
35-39	51	576	1,844	2,016	2,457	309	0	0	0	0	7,253
	80,648	111,576	77,896	82,566	97,524	110,277					89,917
40-44	44	682	1,513	1,226	2,062	2,265	114	0	0	0	7,906
	64,919	115,434	80,268	83,846	94,219	112,088	132,060				97,273
45-49	54	690	1,301	1,063	1,464	2,254	1,645	83	0	0	8,554
	64,624	123,473	84,834	98,626	98,320	109,326	123,494	131,302			106,185
50-54	48	621	1,389	1,076	1,431	2,014	2,249	2,700	108	0	11,636
	62,100	108,444	84,194	96,998	103,033	118,433	128,415	143,363	146,031		117,675
55-59	54	429	865	814	1,222	1,582	1,252	1,820	822	23	8,883
	68,533	85,917	77,805	93,828	94,321	114,916	148,949	148,638	158,345	138,287	120,639
60-64	26	236	427	469	843	869	494	468	263	129	4,224
	65,220	65,614	65,858	71,499	80,921	94,337	128,066	158,932	124,782	118,018	98,181
65-69	4	75	122	144	190	172	58	49	15	38	867
		52,795	48,636	58,922	68,557	83,095	76,168	94,385	114,074	108,415	70,167
70 & over	1	32	44	38	93	47	23	8	1	10	297
		35,857	40,924	39,121	50,210	62,835	47,956				50,063
Total	374	4,259	13,969	9,085	10,046	9,512	5,835	5,128	1,209	200	59,617
	66,825	97,109	74,787	86,092	94,894	110,799	130,639	145,898	149,413	116,955	100,427

Average Age: 46.7

Average Service: 16.5

All monetary amounts shown in US Dollars

¹ Age and service for purposes of determining category are based on exact (not rounded) values.

Plan Name: UPS Retirement Plan
 EIN / PN: 95-1732075/001
 Plan Sponsor: United Parcel Service of America, Inc.
 Valuation Date: January 1, 2021

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26

Number and average account balance distributed by attained age and attained years of credited service

Attained Age	Attained Years of Credited Service ¹										Total
	Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Over	
Under 25	6	93	332	0	0	0	0	0	0	0	431
		4,510	9,544								8,328
25-29	32	449	3,187	143	0	0	0	0	0	0	3,811
	1,365	4,766	13,577	23,077							12,793
30-34	46	327	2,894	1,745	33	0	0	0	0	0	5,045
	3,735	5,151	17,213	28,398	32,202						20,275
35-39	34	213	1,618	1,283	315	7	0	0	0	0	3,470
	4,253	4,858	19,283	32,186	40,578						25,011
40-44	29	161	1,112	662	203	87	4	0	0	0	2,258
	4,811	5,821	20,035	35,734	40,848	51,924					26,653
45-49	35	98	867	487	118	76	43	2	0	0	1,726
	5,687	6,595	20,237	36,839	41,893	50,916	66,480				27,890
50-54	22	103	714	413	74	59	55	23	0	0	1,463
	7,088	6,249	20,379	38,521	43,002	46,468	63,256	76,090			28,990
55-59	26	67	555	330	56	24	17	16	2	0	1,093
	3,704	5,762	23,022	39,810	35,025	55,616					29,284
60-64	15	25	334	211	30	3	4	5	2	1	630
		7,573	22,934	38,251	43,056						29,152
65-69	4	15	103	68	7	2	1	0	0	0	200
			19,597	39,796							26,220
70 & over	1	7	30	12	1	2	0	0	0	0	53
			17,445								16,393
Total	250	1,558	11,746	5,354	837	260	124	46	4	1	20,180
	4,248	5,266	17,436	32,847	40,368	50,017	64,294	77,105	68,008	118,431	22,232

Average Age: 46.7

Average Service: 16.5

All monetary amounts shown in US Dollars

¹ Average PAF balance amount based on balances greater than zero.
Plan Name: UPS Retirement Plan
EIN / PN: 95-1732075/001
Plan Sponsor: United Parcel Service of America, Inc.
Valuation Date: January 1, 2021

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Statement of Actuarial Assumptions/Methods

Actuarial Assumptions and Methods

Economic Assumptions

Interest rate basis:

- Applicable month September 2020
- Yield curve basis 3-segment rates

Interest rates:	Reflecting Corridors	Not Reflecting Corridors
■ First segment rate	4.75%	2.22%
■ Second segment rate	5.36%	3.38%
■ Third segment rate	6.11%	3.92%
■ Effective interest rate	5.66%	3.62%

Annual rates of increase

- Compensation:
 - Non-Pilots 4.50%
 - Pilots (annual increase) 3.00%
 - Pilots (increase upon promotion from First Officer to Captain after 16 years of service) 40.00%
- Future Social Security wage bases 3.75%
- Statutory limits on compensation N/A
- Portable Account Formula Interest Crediting Rate 2.50%

Demographic Assumptions

Mortality – non-annuitants (Healthy and Disabled) Based on RP-2014 “Employees” table without collar or amount adjustment, projected backward to 2006 with MP2014, then projected forward with a static projection as specified in the regulations under §1.430(h)(3)-1 using Scale MP-2019 and annuitants

Mortality - annuitants (Healthy and Disabled) Based on RP-2014 “Healthy Annuitants” table without collar or amount adjustments, adjusted backward to 2006 with MP-2014, and then projected forward with a static projection as

Plan Name: UPS Retirement Plan
EIN / PN: 95-1732075/001
Plan Sponsor: United Parcel Service of America, Inc.
Valuation Date: January 1, 2021

SCHEDULE SB ATTACHMENTS

specified in the regulations under §1.430(h)(3)-1 using Scale MP-2019.

Termination

Rates varying by age, service and employment type

Representative Termination Rates

Full-Time Management Years of Service						
<u>Age</u>	<u>0</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5 or more</u>
25	18.00%	18.00%	14.00%	14.00%	11.00%	10.00%
40	16.00%	16.00%	14.00%	14.00%	11.00%	4.00%
55	15.00%	15.00%	14.00%	12.00%	10.00%	2.00%

Pilots	
<u>Age</u>	<u>Rate</u>
25	1.00%
40	0.80%
45	0.40%
50	0.20%
55	0.00%

All Others Years of Service						
<u>Age</u>	<u>0</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5 or more</u>
25	35.00%	30.00%	26.00%	22.00%	19.00%	15.00%
40	35.00%	30.00%	22.00%	18.00%	14.00%	6.00%
55	35.00%	30.00%	22.00%	18.00%	14.00%	4.00%

Disability

Rates varying by age

Pilots

None

All Others Sample Rates		
<u>Age</u>	<u>Male</u>	<u>Female</u>
30	0.04%	0.06%
40	0.05%	0.07%
55	0.23%	0.34%
60	0.46%	0.69%

Plan Name: UPS Retirement Plan
 EIN / PN: 95-1732075/001
 Plan Sponsor: United Parcel Service of America, Inc.
 Valuation Date: January 1, 2021

SCHEDULE SB ATTACHMENTS

Retirement

Rates varying by age, service and employment type

Full-Time Management

<u>Age</u>	<u>< 25 yrs of svc</u>	<u>≥ 25 yrs of svc</u>
55	5.00%	20.00%
56	5.00%	25.00%
57-61	5.00%	15.00%
62-63	10.00%	20.00%
64	10.00%	15.00%
65-66	30.00%	25.00%
67-69	30.00%	30.00%
≥ 70	100.00%	100.00%

Pilots

<u>Age</u>	<u>Rate</u>
55-59	2.00%
60	12.00%
61-64	10.00%
65+	100.00%

All Others

<u>Age</u>	<u>Rate</u>
55-61	6.00%
62-64	13.00%
65	25.00%
66-69	30.00%
≥70	100.00%

Plan Name: UPS Retirement Plan
EIN / PN: 95-1732075/001
Plan Sponsor: United Parcel Service of America, Inc.
Valuation Date: January 1, 2021

SCHEDULE SB ATTACHMENTS

Benefit commencement date for deferred vested and actives	<p><u>Non-PAF Benefits</u></p> <p>The later of age 63 and current age. For participants who terminated prior to 1992 and for pilots, the later of age 60 or current age.</p> <p>90% of Pilots are assumed to retire as Captains, with the remaining 10% of the Pilot population assumed to retire as First Officers.</p> <p><u>PAF Benefits</u></p> <p>60% immediate commencement and 30% deferred commencement to age 63.</p> <p>Retroactive payments for deferred vested participants beyond age 65 are assumed to be offset by payments applicable to missing participants who will not be located.</p>
Form of payment	<p><u>Non-PAF Benefits</u></p> <p>55% of participants elect a life annuity</p> <p>45% of participants elect a 50% joint and survivor annuity</p> <p>Actuarial Equivalence as defined by the UPS Retirement Plan is used to convert to optional forms of payment (when applicable)</p> <p><u>PAF Benefits</u></p> <p>100% assumed to elect a lump sum</p>
Spouse age	Wife 2 years younger than husband
Plan compensation	<p>Estimated plan compensation for 2021 and future years:</p> <ul style="list-style-type: none">▶ For participants not in the Management Incentive Plan, (MIP/IMIP) prior year actual pensionable earnings, increased by 4.50%.▶ For participants in the MIP/IMIP, base pay as of January 1, 2021 plus long-term estimate of MIP/IMIP performance incentive awards (including ownership incentive awards), based on individual MIP/IMIP performance award targets (limited by the legacy MIP percentages defined by the plan). MIP awards in the near term reflect current expectations.
Administrative expenses	\$90,000,000
Benefit offsets	Estimated benefits from other pension plans to which UPS contributes are offset for employees who have prior service in United Parcel Service, Inc. New York and United Parcel Service, Inc. Ohio. Where sufficient data does not exist, the benefit offset is assumed to be \$0. In all such cases, total benefit service is used to calculate Retirement Plan benefits.
Service accruals	Part-time employees (other than those accruing Portable Account Formula benefits) are assumed to earn 0.75 years of benefit service per year based upon review of historical hours.

Plan Name:	UPS Retirement Plan
EIN / PN:	95-1732075/001
Plan Sponsor:	United Parcel Service of America, Inc.
Valuation Date:	January 1, 2021

SCHEDULE SB ATTACHMENTS

Assumptions Rationale - Significant Economic Assumptions

PAF Interest Credit Rate

The plan credits interest to cash balance accounts using the 30-year Treasury rate for the month of August preceding the applicable plan year, with a minimum interest credit rate of 2.50%. Our long-term estimate of the 30-year Treasury rate is 2.50%, based on guidance from UPS to reflect linkage to the year-end discount rate used for company financial reporting. The rate was determined as the maximum of the 2.50% minimum interest crediting rate and the UPS Retirement Plan discount rate as of December 31, 2019 less 150bps. The 150bps spread is a long-term assumption and was chosen based the Willis Towers Watson capital market assumed normative spread between 30-year corporate Aa bonds and the 30-year Treasury rate and the additional spread between the Retirement Plan discount rate chosen and a comparable corporate bond index rate. This assumption will remain consistent from year-to-year unless financial indicators are significantly different.

Rates of increase in:

■ Compensation

Assumed compensation increases are based on a combination of assumed future (i) cost-of-living increases (CPI), (ii) productivity increases and (iii) promotional increases. CPI increases assumed are as described below. Productivity increases are consistent with the assumed real increases in NAW described below (i.e., increases in assumed NAW less increases in assumed CPI).

A flat rate of 4.50% is assumed. This assumption is comprised of three components: assumed inflation (CPI) of 2.75%, real wage growth of 1.00% to 1.25% and merit/promotion increases of 0.50% to 0.75%. Assumed compensation increases are reviewed annually by Willis Towers Watson and UPS.

Actual compensation increases are reviewed annually and compared to the assumed increase of 4.50% (total compensation for non-MIP participants and base compensation for MIP participants). Generally, increases for the total population have been in line with the assumption. However, there are years where losses or gains result from increases different than expected. Some of these losses or gains are driven by economic factors such as changes in hours worked for the hourly non-union population. Despite these losses or gains, UPS's long-term expectation of merit/promotional and overall compensation increases remains at 0.50% to 0.75% and 4.50% annually, respectively.

Non-union participants may be eligible for the Management Incentive Plan (MIP/IMIP) in addition to base compensation. For those eligible for these payments, future payouts are assumed to be made as a percentage of target payout based on past experience and an expectation from the company about future payments.

For union participants with pay-related benefits (pilots), annual compensation increase assumptions are linked to increases

Plan Name: UPS Retirement Plan
EIN / PN: 95-1732075/001
Plan Sponsor: United Parcel Service of America, Inc.
Valuation Date: January 1, 2021

SCHEDULE SB ATTACHMENTS

negotiated in the current collective bargaining agreements. This is an annual increase of 3.00%.

In addition, for pilots, a 40% increase in compensation is assumed upon reaching 16 years of service. This is the assumed duration for a pilot to be promoted from First Officer to Captain. Both the 16 year service period and the 40% increase have been determined based upon a review of experience for pilots from 2016 through 2020 and plan sponsor expectations.

The resulting compensation increase assumptions are composite rates that reflect both current conditions and future expectations.

- National average wages (NAW) (e.g., Social Security wage bases)

The National Average Wage (NAW) increase assumption is used to project the Social Security Wage Base (SSWB) and Social Security Primary Insurance Amounts (SSPIA) to future dates. For certain UPS Retirement Plan participants, their benefits are integrated with Social Security via either the SSWB or the SSPIA.

The assumed NAW of 3.75% is based on assumed CPI as shown above, plus assumed increases in real wages (the portion of GDP increases that becomes part of wages). Such assumed future increases in real wages are based on forecasts by economists, a combination of historical averages and a combination of recent rates and an expectation that future rates will be higher than current rates.

The NAW assumed increases are consistent with those reflected in the non-union compensation increase assumption.

- CPI

The assumed CPI increase of 2.75% is reviewed annually and set based on Willis Towers Watson's annual capital market assumptions. The October 1, 2020 Willis Towers Watson capital market assumptions (neutral model) indicate that the normative, nominal price inflation is expected to be 2.50%. In addition, the 20-year average annual rate of projected price inflation is 2.95%. As these indicators change, UPS and Willis Towers Watson assess the need to potentially change the inflation assumption. The practice has been to leave this assumption consistent from year-to-year unless financial indicators are significantly different.

In addition, the inflation (CPI) assumption is used implicitly in the determination of the NAW increase assumption, non-union compensation increase assumption, and PAF interest crediting rate assumption.

Plan-related expenses

As required by regulations, plan-related expenses are calculated by estimating the expenses to be paid from the trust during the coming year (including, for example, expected PBGC premiums and actuarial, accounting, legal, administration and trustee fees to be paid from the trust).

Plan Name: UPS Retirement Plan
EIN / PN: 95-1732075/001
Plan Sponsor: United Parcel Service of America, Inc.
Valuation Date: January 1, 2021

SCHEDULE SB ATTACHMENTS

Assumptions Rationale – Significant Demographic Assumptions

Healthy Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h).
Disabled Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h).
Termination	Termination rates were based on an experience study conducted in 2021 with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.
Disability	Disability rates were based on an experience study conducted in 2012. Annual consideration is given to whether any conditions have changed that would be expected to produce different results in the future.
Retirement	Retirement rates were based on an experience study conducted in 2021. Annual consideration is given to whether any conditions have changed that would be expected to produce different results in the future.
Form of payment	The form of payment assumptions were based on an experience study conducted in 2021.

Methods

Valuation date	First day of plan year
Funding Target	Present value of accrued benefits
Target normal cost	Present value of benefits expected to accrue during plan year plus plan-related expenses expected to be paid from plan assets during plan year
Actuarial value of assets	Market value of assets.
Benefits not valued	All benefits described in the Plan Provisions section of this report were valued. Willis Towers Watson has reviewed the plan provisions with UPS and is not aware of any significant benefits that should have been valued and were not.

Change in Methods and Assumptions Since Prior Year

The segment interest rates used to calculate the funding target and target normal cost were updated to the current valuation date as required by IRC §430.

The mortality table used to calculate the funding target and target normal cost was updated to include on year of additional year of projected mortality improvement, as required by IRC §430.

Plan Name:	UPS Retirement Plan
EIN / PN:	95-1732075/001
Plan Sponsor:	United Parcel Service of America, Inc.
Valuation Date:	January 1, 2021

SCHEDULE SB ATTACHMENTS

Retirement rates, termination rates, PAF commencement, spouse age difference and optional forms of payment elected were updated based on a demographic assumption study conducted in 2021.

The assumed administrative expenses were changed from \$114,000,000 in 2020 to \$90,000,000 in 2021.

Data Sources

Willis Towers Watson used asset data supplied by UPS. UPS furnished participant data as of January 1, 2021. Data were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the company, the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date. Assumptions and estimates were made by Willis Towers Watson actuaries when data were not available, and UPS confirmed the appropriateness of these assumptions and estimates in 2021 Retirement Plan Questions Responses received on June 11, 2021. Willis Towers Watson is not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Plan Name:	UPS Retirement Plan
EIN / PN:	95-1732075/001
Plan Sponsor:	United Parcel Service of America, Inc.
Valuation Date:	January 1, 2021

Form 5500Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security
Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**OMB Nos. 1210-0110
1210-0089**2021****This Form Is Open to Public Inspection****Part I Annual Report Identification Information**For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

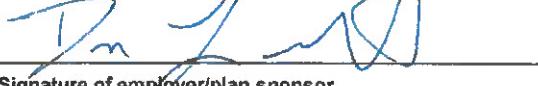
- A** This return/report is for: ☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- ☒ a single-employer plan ☐ a DFE (specify) _____
- B** This return/report is: ☐ the first return/report ☐ the final return/report
- ☒ an amended return/report ☐ a short plan year return/report (less than 12 months)
- C** If the plan is a collectively-bargained plan, check here. ☐
- D** Check box if filing under: ☒ Form 5558 ☐ automatic extension ☐ the DFVC program
- ☐ special extension (enter description) _____
- E** If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ☐

Part II Basic Plan Information—enter all requested information

1a Name of plan UPS RETIREMENT PLAN	1b Three-digit plan number (PN) ▶ <u>001</u>
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) UNITED PARCEL SERVICE OF AMERICA, INC. C/O TAX DEPARTMENT 55 GLENLAKE PARKWAY NE ATLANTA GA 30328	1c Effective date of plan <u>09/01/1961</u> 2b Employer Identification Number (EIN) <u>95-1732075</u> 2c Plan Sponsor's telephone number <u>404-828-8517</u> 2d Business code (see instructions) <u>533110</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE		<u>10/19/20</u>	Malika Terry
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE		<u>10-18-22</u>	Don Lancaster
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2021)
v. 201209

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN	
		3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name		4b EIN 4d PN	
5 Total number of participants at the beginning of the plan year		5	153,610
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).			
a(1) Total number of active participants at the beginning of the plan year.....		6a(1)	60,506
a(2) Total number of active participants at the end of the plan year		6a(2)	52,821
b Retired or separated participants receiving benefits.....		6b	45,661
c Other retired or separated participants entitled to future benefits		6c	47,823
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	146,305
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	5,873
f Total. Add lines 6d and 6e		6f	152,178
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	278
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A 1B 1C 1D 1E			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)			
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2021 Form M-1 annual report. If the plan was not required to file the 2021 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>UPS RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>UNITED PARCEL SERVICE OF AMERICA, INC.</u>	D Employer Identification Number (EIN) <u>95-1732075</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2021</u>	
2 Assets:	
a Market value	2a <u>29,075,643,120</u>
b Actuarial value	2b <u>29,075,643,120</u>
3 Funding target/participant count breakdown	
	(1) Number of participants (2) Vested Funding Target (3) Total Funding Target
a For retired participants and beneficiaries receiving payment	<u>49,494</u> <u>12,499,171,202</u> <u>12,499,171,202</u>
b For terminated vested participants	<u>44,524</u> <u>1,747,740,134</u> <u>1,747,740,134</u>
c For active participants	<u>59,617</u> <u>7,114,117,018</u> <u>8,281,699,641</u>
d Total	<u>153,635</u> <u>21,361,028,354</u> <u>22,528,610,977</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐	
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b
5 Effective interest rate	5 <u>5.66%</u>
6 Target normal cost	
a Present value of current plan year accruals	6a <u>567,437,120</u>
b Expected plan-related expenses	6b <u>90,000,000</u>
c Total (line 6a + line 6b)	6c <u>657,437,120</u>

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	<u>Timothy Hoppin, F.S.A., E.A.</u> <u>TH</u> Signature of actuary	<u>10/13/2022</u> Date
<u>TIMOTHY HOPPIN, F.S.A., E.A.</u> Type or print name of actuary		<u>2007404</u> Most recent enrollment number
<u>WILLIS TOWERS WATSON US LLC</u> Firm name		<u>404-224-5000</u> Telephone number (including area code)
<u>FIVE CONCOURSE PARKWAY SUITE 1800</u> <u>ATLANTA GA 30328</u> Address of the firm		

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2021
v. 201209

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:			
a Segment rates:	1st segment: 4.75 %	2nd segment: 5.36 %	3rd segment: 6.11 %
			☐ N/A, full yield curve used
b Applicable month (enter code)			21b 4
22 Weighted average retirement age			22 62
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute			

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.....		☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.....		☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....		☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....	27	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29).....	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6c).....	31a	657,437,120	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance		Installment
a Net shortfall amortization installment	856,615,372		105,577,175
b Waiver amortization installment	0		0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).....	34	763,014,295	
		Carryover balance	Prefunding balance
35 Balances elected for use to offset funding requirement		0	569,831,004
36 Additional cash requirement (line 34 minus line 35)	36	193,183,291	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	595,782,507	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	402,599,216	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	402,599,216	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:	
a Schedule elected	☐ 2 plus 7 years ☐ 15 years
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 19
Discounted Employer Contributions
as of January 1, 2021

Date	Applicable Plan Year	Contribution	Interest Rate Used to Discount During Timely Contribution Period	Timely Contribution Period	Interest Rate Used to Discount During Late Contribution Period	Late Contribution Period	Interest Adjusted Contribution
12/30/2021	2021	133,000,000	5.66%	0.99722	10.66%	0.20833	124,687,842
09/09/2022	2021	517,000,000	5.66%	1.68889	N/A	N/A	471,094,665
Total		650,000,000					595,782,507

Plan Name: UPS Retirement Plan
EIN / PN: 95-1732075/001
Plan Sponsor: United Parcel Service of America, Inc.
Valuation Date: January 1, 2021

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 22 Description of Weighted Average Retirement Age as of January 1, 2021

Sample Calculation of Retirement Age for Full-Time Managers with service less than 25 years

<i>Retirement Age (1)</i>	<i>Assumed Rate (2)</i>	<i>Participants At Beginning (3)</i>	<i>Participants Retiring: (2)x(3) (4)</i>	<i>(1)*(4) (5)</i>
55	0.0500	1,000.00	50.00	2,750.00
56	0.0500	950.00	47.50	2,660.00
57	0.0500	902.50	45.13	2,572.41
58	0.0500	857.37	42.87	2,486.46
59	0.0500	814.50	40.73	2,403.07
60	0.0500	773.77	38.69	2,321.40
61	0.0500	735.08	36.75	2,241.75
62	0.1000	698.33	69.83	4,329.46
63	0.1000	628.50	62.85	3,959.55
64	0.1000	565.65	56.57	3,620.48
65	0.3000	509.08	152.72	9,926.80
66	0.3000	356.36	106.91	7,056.06
67	0.3000	249.45	74.84	5,014.28
68	0.3000	174.61	52.38	3,561.84
69	0.3000	122.23	36.67	2,530.23
70	1.0000	85.56	85.56	5,989.20
			1,000.00	63,422.99
63,422.99 / 1,000 = 63				

Plan Name: UPS Retirement Plan
 EIN / PN: 95-1732075/001
 Plan Sponsor: United Parcel Service of America, Inc.
 Valuation Date: January 1, 2021

SCHEDULE SB ATTACHMENTS

Sample Calculation of Retirement Age for Full-Time Managers with 25 or more years of service

<i>Retirement Age</i> (1)	<i>Assumed Rate</i> (2)	<i>Participants At Beginning</i> (3)	<i>Participants Retiring: (2)x(3)</i> (4)	<i>(1)*(4)</i> (5)
55	0.2000	1,000.00	200.00	11,000.00
56	0.2500	800.00	200.00	11,200.00
57	0.1500	600.00	90.00	5,130.00
58	0.1500	510.00	76.50	4,437.00
59	0.1500	433.50	65.03	3,836.77
60	0.1500	368.47	55.27	3,316.20
61	0.1500	313.20	46.98	2,865.78
62	0.2000	266.22	53.24	3,300.88
63	0.2000	212.98	42.60	2,683.80
64	0.1500	170.38	25.56	1,635.84
65	0.2500	144.82	36.21	2,353.65
66	0.2500	108.61	27.15	1,791.90
67	0.3000	81.46	24.44	1,637.48
68	0.3000	57.02	17.11	1,163.48
69	0.3000	39.91	11.97	825.93
70	1.0000	27.94	27.94	1,955.80
			1,000.00	59,134.51

$$59,134.51 \quad / \quad 1,000 \quad = \quad 59$$

Sample Calculation for Pilots

<i>Retirement Age</i> (1)	<i>Assumed Rate</i> (2)	<i>Participants At Beginning</i> (3)	<i>Participants Retiring: (2)x(3)</i> (4)	<i>(1)*(4)</i> (5)
55	0.0200	1,000.00	20.00	1,100.00
56	0.0200	980.00	19.60	1,097.60
57	0.0200	960.40	19.21	1,094.97
58	0.0200	941.19	18.82	1,091.56
59	0.0200	922.37	18.45	1,088.55
60	0.1200	903.92	108.47	6,508.20
61	0.1000	795.45	79.55	4,852.55
62	0.1000	715.90	71.59	4,438.58
63	0.1000	644.31	64.43	4,059.09
64	0.1000	579.88	57.99	3,711.36
65	1.0000	521.89	521.89	33,922.85
			1,000.00	62,965.31

$$62,965.31 \quad / \quad 1,000 \quad = \quad 63$$

Plan Name: UPS Retirement Plan
 EIN / PN: 95-1732075/001
 Plan Sponsor: United Parcel Service of America, Inc.
 Valuation Date: January 1, 2021

SCHEDULE SB ATTACHMENTS

Sample Calculation of Retirement Age for All Other Employees

<i>Retirement Age (1)</i>	<i>Assumed Rate (2)</i>	<i>Participants At Beginning (3)</i>	<i>Participants Retiring: (2)x(3) (4)</i>	<i>(1)*(4) (5)</i>
55	0.0600	1,000.00	60.00	3,300.00
56	0.0600	940.00	56.40	3,158.40
57	0.0600	883.60	53.02	3,022.14
58	0.0600	830.58	49.83	2,890.14
59	0.0600	780.75	46.85	2,764.15
60	0.0600	733.90	44.03	2,641.80
61	0.0600	689.87	41.39	2,524.79
62	0.1300	648.48	84.30	5,226.60
63	0.1300	564.18	73.34	4,620.42
64	0.1300	490.84	63.81	4,083.84
65	0.2500	427.03	106.76	6,939.40
66	0.3000	320.27	96.08	6,341.28
67	0.3000	224.19	67.26	4,506.42
68	0.3000	156.93	47.08	3,201.44
69	0.3000	109.85	32.96	2,274.24
70	1.0000	76.89	76.89	5,382.30
			1,000.00	62,877.36

$$62,877.36 \quad / \quad 1,000 \quad = \quad 63$$

Total Population Weighted Average Retirement Age: 62

The weighting for the average retirement age is based on head count.

Plan Name: UPS Retirement Plan
 EIN / PN: 95-1732075/001
 Plan Sponsor: United Parcel Service of America, Inc.
 Valuation Date: January 1, 2021

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Summary of Plan Provisions

1. Applicable to UPS Grandfathered and RPA Participants

Plan Provisions

Covered Employees Employees of adopting employers who were hired, rehired or transferred into the Retirement Plan prior to January 1, 2008, provided they are not currently accruing benefits under any other non-governmental pension or profit sharing plan (except the UPS Savings Plan) to which UPS makes contributions; and further provided they are not covered by a collective bargaining agreement unless the agreement provides for coverage under the UPS Retirement Plan.

As amended in June 2017, beginning December 31, 2022 no future accruals will be earned in the UPS Retirement Plan.

Participation Date All Predecessor Plan participants on December 31, 1975 who are employees on January 1, 1976 become plan participants on January 1, 1976. All other employees become eligible to participate immediately following attainment of age 21 and completion of a 12-month period of employment during which 750 hours of service are completed.

Definitions

Vesting service One year for each calendar year in which an employee completes 750 hours of service.

Benefit service One year for each calendar year in which an employee completes at least 1,500 hours of service. Partial credit is given if at least 125 hours of service are completed.

Alternative points For Grandfathered Participants, 20 points per year of benefit service. For non-Grandfathered Participants, benefit service prior to January 1, 2001, 20 points per year of benefit service. For benefit service on or after January 1, 2001, see the attached schedule.

Alternative-Plus points For Grandfathered Participants, 5 points per year of benefit service. For non-Grandfathered Participants, benefit service prior to January 1, 2001, 5 points per year of benefit service. For benefit service on or after January 1, 2001, see the attached schedule.

Integrated points For Grandfathered Participants, 12 points per year of benefit service. For non-Grandfathered Participants, benefit service prior to January 1, 2001, 12 points per year of benefit service. For benefit service on or after January 1, 2001, see the attached schedule.

Integrated-Plus points For Grandfathered Participants, 4 points per year of benefit service. For non-Grandfathered Participants, benefit service prior to January 1, 2001, 4 points per year of benefit service. For benefit service on or after January 1, 2001, see the attached schedule.

Compensation Basic salary or wages plus overtime pay, certain incentive and bonus pay, and deferrals to the UPS Deferred Compensation Plan, Section 401(k) and

Plan Name: UPS Retirement Plan
EIN / PN: 95-1732075/001
Plan Sponsor: United Parcel Service of America, Inc.
Valuation Date: January 1, 2021

SCHEDULE SB ATTACHMENTS

Section 125 deferrals, and eligible MIP compensation, limited as required by Section 401(a)(17) of the Internal Revenue Code.

Eligible MIP compensation is equal to MIP/IMIP ownership incentive awards plus MIP/IMIP performance incentive awards times the legacy MIP percentage. Legacy MIP percentage is defined for each job group as the current MIP/IMIP target over the legacy MIP/IMIP target (prior to inclusion of long-term incentives). MIP/IMIP awards considered include value of the restricted stock unit portion of the award even if not vested.

Final average earnings	The average of the highest five consecutive calendar years of compensation during the ten-year period ending on the earlier of the participant's termination date or date of death or plan termination date.
Grandfathered Participant	A participant who performed an hour of service as an employee on or before December 31, 2000 and was employed by an employer who adopted the plan on or before December 31, 2000.
Social Security benefit	The estimated Primary Insurance Amount payable at the age at which unreduced Primary Insurance Amounts are available under the Social Security Act in effect on the earlier of his normal retirement date or the date of termination, assuming in the case of early retirement or termination before normal retirement date that compensation continued unchanged until normal retirement date.
Normal retirement date (NRD)	First of month coinciding with or next following the attainment of age 65 with five years of vesting service or participation. If a participant prior to January 1, 1989, first of the month coinciding with or next following the attainment of age 65.
Actuarial Equivalence	6% and 1983 Group Annuity Mortality (GAM): male table for participants; female table for beneficiaries. Grandfathered participants receive a protected minimum conversion factor based on form of payment.
Pension benefit	<p>For Grandfathered Participants, larger of (1), (2), (3) and (4). Otherwise, the larger of (3) and (4).</p> <p>(1) 58.33% of final average earnings (FAE) less 58.33% of the Social Security benefit (SSB), reduced proportionately for years of benefit service less than 35.</p> <p>(2) 2% of final average earnings up to:</p> <p>(a) \$48,000 if year of birth is 1957 or later</p> <p>(b) \$54,000 if year of birth is 1951 to 1956</p> <p>(c) \$60,000 if year of birth is 1950 or earlier</p> <p>Plus 0.5% of final average earnings in excess of the above breakpoints; multiplied by benefit service up to 35 years.</p> <p>(3) Alternative Points multiplied by 1% of final average earnings up to \$48,000 plus</p> <p>Alternative-Plus Points multiplied by 1% of final average earnings in excess of \$48,000, with the result divided by 10</p>

Plan Name:	UPS Retirement Plan
EIN / PN:	95-1732075/001
Plan Sponsor:	United Parcel Service of America, Inc.
Valuation Date:	January 1, 2021

SCHEDULE SB ATTACHMENTS

- (4) Integrated Points multiplied by 1% of final average earnings plus Integrated-Plus Points multiplied by 1% of final average earnings in excess of the Social Security wage base, with the result divided by 10

Preretirement spouse benefit	50% of the benefit that would have been payable to the participant, assuming early retirement on the date of death or earliest retirement date if later and election of a 50% joint and survivor benefit.
Disability benefit	<p>For participants who become disabled before eligibility for early or normal retirement and are not eligible for Long Term Disability (LTD), \$9.60 per month times benefit service up to 30 years, payable until the participant's early retirement date at which time the participant receives an early retirement benefit.</p> <p>For participants who became disabled before eligibility for early or normal retirement and are eligible for LTD, they will continue to accrue benefit service to the earlier of their normal retirement date and the date at which they recover from disability. All other employees receive an early retirement benefit accrued on the date of disability.</p> <p>For disabilities occurring after eligibility for early or normal retirement, the benefit payable is the early or normal retirement benefit as applicable.</p>

Eligibility for Benefits

Normal retirement	Retirement on NRD.
Early retirement	Attaining age 55 and completion of ten years of vesting service but not later than NRD.
Postponed retirement	Retire after NRD.
Disability retirement	Completion of ten or more years of vesting service, disabled and qualify for Social Security disability benefits.
Deferred vested	Terminate for reasons other than death, retirement or disability after completing five years of vesting service.
Preretirement spouse benefit	Die while a member of the plan, married, and vested, but before benefit commencement.

Plan Name:	UPS Retirement Plan
EIN / PN:	95-1732075/001
Plan Sponsor:	United Parcel Service of America, Inc.
Valuation Date:	January 1, 2021

SCHEDULE SB ATTACHMENTS

Benefits Paid Upon the Following Events

Normal retirement	Monthly pension benefit determined as of NRD.
Early retirement	<p>Pension benefit for formulas (1) and (2) is reduced by $\frac{1}{4}\%$ (3% annually) for each month that retirement precedes age 65. If participant has 25 years of benefit service at date of early retirement, pension benefit determined under formula (1) is reduced by $\frac{1}{4}\%$ (3% annually) for each month that retirement precedes age 60, and the pension benefit determined under formula (2) is unreduced.</p> <p>Pension benefit for formulas (3) and (4) is reduced $\frac{1}{2}\%$ (6% annually) for each month that retirement precedes age 65. If participant has at least 20 but less than 25 years of benefit service at date of early retirement, pension benefit under formulas (3) and (4) is reduced $\frac{1}{4}\%$ (3% annually) for each month that retirement precedes age 65.</p> <p>If participant has 25 years of benefit service at date of early retirement, pension benefit under formula (3) is unreduced and the pension benefit under formula (4) is reduced $\frac{1}{4}\%$ (3% annually) for each month that retirement precedes age 60.</p>
Postponed retirement	Pension benefit determined as of actual retirement date.
Disability retirement	Disability benefit, provided no benefit is payable from the plan while the participant is receiving short or long term disability.
Termination with deferred vested benefit	Generally, pension benefit determined as of termination date, reduced by $\frac{1}{2}\%$ (6% annually) for each month that payment begins before age 65.
Death with preretirement spouse benefits	Preretirement spouse benefit is payable to eligible surviving spouse.

Other Plan Provisions

Forms of payment	<p>Actuarially equivalent 50% joint and survivor annuity if married on date payments commence; life annuity if single.</p> <p>Lump sum if present value is less than \$5,000.</p> <p>Optional forms (actuarial equivalent to normal form):</p> <ul style="list-style-type: none">▶ 10-year certain and continuous annuity▶ 100% joint and survivor annuity▶ 75% joint and survivor annuity▶ Life annuity if married
Maximum on benefits and pay	<p>All benefits and compensation for any calendar year may not exceed the maximum limitation for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective.</p>

Plan Name:	UPS Retirement Plan
EIN / PN:	95-1732075/001
Plan Sponsor:	United Parcel Service of America, Inc.
Valuation Date:	January 1, 2021

SCHEDULE SB ATTACHMENTS

Changes in Benefits Valued Since Prior Measurement Date

None.

Plan Name: UPS Retirement Plan
EIN / PN: 95-1732075/001
Plan Sponsor: United Parcel Service of America, Inc.
Valuation Date: January 1, 2021

SCHEDULE SB ATTACHMENTS

UPS Retirement Plan RPA Account Balance Formulas — Points Schedule Applicable to Non-Grandfathered Participants

Company Name	Adopting Employer by 12/31/2000	Alternative Points Schedule	Alternative-Plus Points Schedule	Integrated Points Schedule	Integrated-Plus Points Schedule
Trailer Conditioners, Inc.	Yes	20	5	12	4
United Parcel Service Co.	Yes	20	5	12	4
United Parcel Service General Services Co.	Yes	20	5	12	4
UPS Fuel Services, Inc. (f/k/a UPS Aviation Services, Inc.)	Yes	20	5	12	4
UPS International General Services Co.	Yes	20	5	12	4
UPS Procurement Services Corporation	Yes	20	5	12	4
UPS Worldwide Forwarding, Inc.	Yes	20	5	12	4
United Parcel Service, Inc. (Ohio)	Yes	20	5	12	4
BT Realty Holdings, Inc.	Yes	20	5	12	4
United Parcel Service, Inc. (NY)	Yes	20	5	12	4
BT Realty Holdings II, Inc.	Yes	20	5	12	4
UPS Latin America, Inc.	Yes	20	5	12	4
UPS	No	20	5	12	4
Global Innovations Inc.	No	20	5	12	4
Market Drivers Inc.	No	20	5	12	4
UPS Capital Corporation	Yes	12	5	8	4
UPS Capital Insurance Agency, Inc. (f/k/a Glenlake Insurance Agency, Inc.)	Yes	12	5	8	4
UPS Capital Insurance Agency, Inc. of California (f/k/a Glenlake Insurance Agency, Inc. of CA)	Yes	12	5	8	4
UPS Capital Business Credit	No	12	5	8	4
FBC UPS Capital Bus. Credit NJ	No	12	5	8	4
Pax Logistics International, Ltd.	Yes	5	4	4	4
UPS Logistics Technologies, Inc. (f/k/a Roadnet)	Yes	5	4	4	4
UPS Supply Chain Management, Inc. (f/k/a UPS World Wide Logistics)	Yes	5	4	4	4
Diversified Trimodal, Inc. (d/b/a Martrac)	Yes	5	4	4	4
Worldwide Dedicated Services, Inc.	Yes	5	4	4	4
UPS Aviation Technologies, Inc. (f/k/a II Morrow)	Yes	5	4	4	4
UPS Customhouse Brokerage	Yes	5	4	4	4
UPS Supply Chain Management Nevada, Inc. (f/k/a WWL - Nevada)	No	5	4	4	4
UPS Supply Chain Management Tristate, Inc. (f/k/a WWL - Tristate)	No	5	4	4	4
UPS Service Parts Logistics, Inc. (f/k/a SonicAir)	No	5	4	4	4
UPS Logistics Group Americas, Inc. (Comlasa)	No	5	4	4	4
UPS Telecommunications, Inc. (MicroAge)	No	5	4	4	4
Fritz US	No	5	4	4	4
UPS Consulting, Inc.	No	5	4	4	4
ConnectShip, Inc.	No	5	4	4	4
Iship	No	5	4	4	4
UPS Logistics Group Puerto Rico	No	5	4	4	4
UPS Autogistics	No	5	4	4	4

Plan Name: UPS Retirement Plan
 EIN / PN: 95-1732075/001
 Plan Sponsor: United Parcel Service of America, Inc.
 Valuation Date: January 1, 2021

SCHEDULE SB ATTACHMENTS

Company Name	Adopting Employer by 12/31/2000	Alternative Points Schedule	Alternative-Plus Points Schedule	Integrated Points Schedule	Integrated-Plus Points Schedule
Logistics Domestic	No	5	4	4	4
UPS Mail Technologies (f/k/a/ Mail 2000 Inc.)	No	5	4	4	4
UPS Mailboxes Inc.	No	5	4	4	4
UPS Expedited Mail Services, Inc. (f.k.a. Region Mail Express)	No	5	4	4	4
UPS Supply Chain Solutions	No	5	4	4	4
UPS Global Forwarding Services, Inc (a.k.a. Unistar US, never adopted Plan; employees covered by Plan once merged with Fritz)	No	5	4	4	4
UPS Trade Management Services	No	5	4	4	4
UPS Cartage Services US	No	5	4	4	4
UPS Cartage Services Latin America	No	5	4	4	4
SCS Forwarding US (f.k.a. Menlo Forwarding)	No	5	4	4	4

Plan Name: UPS Retirement Plan
 EIN / PN: 95-1732075/001
 Plan Sponsor: United Parcel Service of America, Inc.
 Valuation Date: January 1, 2021

SCHEDULE SB ATTACHMENTS

2. Applicable to Freight participants (including Grandfathered Overnite)

Plan Provisions

Covered Employees	<p>All employees of UPS Ground Freight, Inc. and any affiliated company that adopts the plan who were hired, rehired or transferred into the Retirement Plan prior to January 1, 2008, except:</p> <ul style="list-style-type: none">▶ Employees covered by a collective bargaining agreement▶ Employees currently accruing benefits under any other non-governmental pension or profit sharing plan (except the UPS Savings Plan) to which UPS makes contributions.▶ Any person while assigned to the company's Special Services Division (SSD) or OMC Logistics who first became an employee on or after September 1, 2002, or who was rehired on/after September 1, 2002 without retaining credit for prior vesting and credited service▶ Employees who are classified as "work at home customer service employees"▶ Any leased employee▶ Any non-resident alien who is not receiving U.S. pay from the company <p>As amended in June 2017, beginning December 31, 2022 no future accruals will be earned in the UPS Retirement Plan. As amended July 1, 2017, beginning December 31, 2022 no future accruals will be earned in the UPS Retirement Plan.</p>
Participation Date	<p>The first day of the month following attainment of 21 and completion of a 12-month period of employment in which the employee completes 750 hours of service.</p>

Definitions

Vesting service	<p>For service on and after January 1, 2006, vesting service is calculated as described for non-Freight (RPA) participants. Service prior to January 1, 2006 is calculated in accordance with the prior plan.</p>
Benefit service	<p>For service on and after January 1, 2006, benefit service is calculated as described for non-Freight (RPA) participants. Service prior to January 1, 2006 is calculated in accordance with the prior plan. Benefit service is limited to an overall cap of 30 years.</p>
Grandfathered Overnite participant	<p>A participant in the Overnite Retirement Plan on December 31, 2005.</p>
Compensation	<p>Compensation on and after January 1, 2006 is determined as described for non-Freight (RPA) participants. Compensation pay prior to January 1, 2006 is calculated in accordance with the prior plan.</p>
Final average pay	<p>Final average pay on and after January 1, 2006 is determined as described for non-Freight (RPA) participants. Final average pay for determination</p>

Plan Name:	UPS Retirement Plan
EIN / PN:	95-1732075/001
Plan Sponsor:	United Parcel Service of America, Inc.
Valuation Date:	January 1, 2021

SCHEDULE SB ATTACHMENTS

dates prior to January 1, 2006 is calculated in accordance with the prior plan.

Normal retirement date (NRD) For a grandfathered Overnite participant, first of the month coinciding with or next following the attainment of age 65.

For a non-grandfathered Overnite participant, first of month coinciding with or next following the attainment of 65 with five years of vesting service or participation.

Actuarial Equivalence 6% and 1983 Group Annuity Mortality (GAM): male table for participants; female table for beneficiaries. Grandfathered Overnite participants receive the greater of the above or an optional form factor determined by an interest rate of 7% and the UP 1984 Unisex Pension Mortality Table.

Pension benefit 1.725% of final average earnings multiplied by benefit service up to 30 years

Preretirement spouse benefit Same as non-Freight (RPA) participants.

Disability benefit For participants who become disabled before eligibility for early or normal retirement but on or before June 30, 2006, accrued benefit using service projected to age 65, payable until age 65. At age 65, the disability benefit is the normal retirement benefit based on service through age 65.

For participants who become disabled before eligibility for early or normal retirement but after July 1, 2006:

- ▶ If not eligible for Long Term Disability (LTD), \$9.60 per month times benefit service up to 30 years, payable until the participant's early retirement date at which time the participant receives an early retirement benefit.
- ▶ If eligible for LTD, they will continue to accrue benefit service to the earlier of their normal retirement date and the date at which they recover from disability. All other employees receive an early retirement benefit accrued on the date of disability.

For disabilities occurring after eligibility for early or normal retirement after July 1, 2006, the benefit payable is early or normal retirement benefit as applicable.

Plan Name: UPS Retirement Plan
EIN / PN: 95-1732075/001
Plan Sponsor: United Parcel Service of America, Inc.
Valuation Date: January 1, 2021

SCHEDULE SB ATTACHMENTS

Eligibility for Benefits

Normal retirement	Retirement on NRD
Early retirement	Attaining age 55 and completion of ten years of vesting service but not later than NRD
Postponed retirement	Retire after NRD
Disability retirement	Completion of ten or more years of vesting service, disabled and qualify for Social Security disability benefits
Deferred vested	Terminate for reasons other than death, retirement or disability after completing five years of vesting service
Preretirement spouse benefit	Die while a member of the plan, married, and having attained five years of vesting service, but before benefit commencement

Benefits Paid Upon the Following Events

Normal retirement	Monthly pension benefit determined as of NRD
Early retirement	<p>For participants who have attained age 55 but not age 60 and have less than 30 years of benefit service, pension benefit is reduced by 0.4167% (5% annually) for each month that retirement precedes age 65.</p> <p>If participant has 30 years of benefit service at date of early retirement, pension benefit is unreduced.</p> <p>For participants who have attained age 60 and have less than 25 years of benefit service, pension benefit is reduced by 0.25% (3% annually) for each month that retirement precedes age 65. If participant has attained age 60 and 25 years of benefit service at date of early retirement, pension benefit is unreduced.</p>
Postponed retirement	Pension benefit determined as of actual retirement date
Disability retirement	Disability benefit, provided no benefit is payable from the plan while the participant is receiving short or long term disability.
Termination with deferred vested benefit	Pension benefit determined as of termination date is payable beginning at Normal Retirement Date. May commence as early as age 55 if completed 10 years of vesting service. Reduction in benefit for early commencement the same as the Early retirement benefit above.
Death with preretirement spouse benefits	Preretirement spouse benefit is payable to eligible surviving spouse.

Plan Name:	UPS Retirement Plan
EIN / PN:	95-1732075/001
Plan Sponsor:	United Parcel Service of America, Inc.
Valuation Date:	January 1, 2021

SCHEDULE SB ATTACHMENTS

Other Plan Provisions

Forms of payment	<p>Actuarially equivalent 50% joint and survivor annuity if married on date payments commence; life annuity if single.</p> <p>Lump sum if present value is less than \$5,000.</p> <p>Optional forms (actuarial equivalent to normal form):</p> <ul style="list-style-type: none">▶ 50% joint and survivor annuity (non-spouse beneficiary)▶ 100% joint and survivor annuity▶ 75% joint and survivor annuity▶ Social Security level Income at age 62 or age 65 (only available to grandfathered participants) <p>Disabled retirees prior to July 1, 2006 are not eligible for the 100% joint and survivor annuity or the Social Security level income options.</p>
Maximum on benefits and pay	<p>All benefits and compensation for any calendar year may not exceed the maximum limitation for that year as defined in the Internal revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective.</p>

Changes in Benefits Valued Since Prior Measurement Date

None.

Plan Name:	UPS Retirement Plan
EIN / PN:	95-1732075/001
Plan Sponsor:	United Parcel Service of America, Inc.
Valuation Date:	January 1, 2021

SCHEDULE SB ATTACHMENTS

3. Applicable to Grandfathered Motor Cargo

Plan Provisions

Covered Employees	<p>All prior employees of Motor Cargo who were hired, rehired or transferred into the Retirement Plan prior to January 1, 2008 except:</p> <ul style="list-style-type: none">▶ Any leased employee▶ Any "reclassified" employee (independent contractors and outsourced employees)▶ Any employee covered by a collective bargaining agreement <p>Motor Cargo Distribution Services has not adopted the plan.</p> <p>As amended in June 2017, beginning December 31, 2022 no future accruals will be earned in the UPS Retirement Plan.</p>
Participation Date	<p>The first day of the month following attainment of age 21 and completion of a 12-month period of employment in which the employee completes 750 hours of service.</p>

Definitions

Vesting service	<p>For service on and after January 1, 2006, vesting service is calculated as described for non-Freight (RPA) participants. Service prior to January 1, 2006 is calculated in accordance with the prior plan.</p>
Benefit service	<p>For service on and after January 1, 2006, benefit service is calculated as described for non-Freight (RPA) participants. Service prior to January 1, 2006 is calculated in accordance with the prior plan.</p> <p>Benefit service is subject to all overall maximum of 30 years. However, once a participant reaches 30 years in total including service with Motor Cargo and service as a UPS employee, future years of service as a UPS employee will replace years of service earned as a Motor Cargo employee.</p>
Compensation	<p>Compensation on and after January 1, 2006 is determined as described for non-Freight (RPA) participants.</p>
Final average earnings	<p>The average of the highest five consecutive calendar years of compensation during the ten-year period ending on the earlier of the participant's termination date or date of death or plan termination date.</p>
Grandfathered Motor Cargo participant	<p>A participant in the Motor Cargo Pension Plan on December 31, 2005 unless subject to a collective bargaining agreement.</p>

Plan Name:	UPS Retirement Plan
EIN / PN:	95-1732075/001
Plan Sponsor:	United Parcel Service of America, Inc.
Valuation Date:	January 1, 2021

SCHEDULE SB ATTACHMENTS

Normal retirement date (NRD)	<p>For a grandfathered Motor Cargo participant, first of month coinciding with or next following the attainment of age 65.</p> <p>For a non-grandfathered Motor Cargo participant, first of month coinciding with or next following the attainment of age 65 with five years of vesting service or participation.</p>														
Actuarial Equivalence	6% and 1983 Group Annuity Mortality (GAM): male table for participants; female table for beneficiaries. Grandfathered Motor Cargo participants receive the greater of the above or an optional form factor determined by an interest rate of 8% and the UP 1984 Unisex Pension Mortality Table.														
Pension benefit	<p>Sum of (1), (2) and (3):</p> <p>(1) Accrued benefit as of December 31, 1988;</p> <p>(2) For service after 1988 and before 2006: Monthly amount per year of benefit service, based</p> <table><tr><th><u>Hours of service in a plan year</u></th><th><u>Monthly benefit</u></th></tr><tr><td>1,800 or more</td><td>\$20</td></tr><tr><td>1,600 – 1,799</td><td>18</td></tr><tr><td>1,400 – 1,599</td><td>16</td></tr><tr><td>1,200 – 1,399</td><td>14</td></tr><tr><td>1,000 – 1,199</td><td>12</td></tr><tr><td>Less than 1,000</td><td>0</td></tr></table> <p>(3) 1.725% of final average earnings multiplied by benefit service earned after 2005.</p> <p>Total benefit service is limited to 30 years, as described above in benefit service.</p>	<u>Hours of service in a plan year</u>	<u>Monthly benefit</u>	1,800 or more	\$20	1,600 – 1,799	18	1,400 – 1,599	16	1,200 – 1,399	14	1,000 – 1,199	12	Less than 1,000	0
<u>Hours of service in a plan year</u>	<u>Monthly benefit</u>														
1,800 or more	\$20														
1,600 – 1,799	18														
1,400 – 1,599	16														
1,200 – 1,399	14														
1,000 – 1,199	12														
Less than 1,000	0														
Preretirement spouse benefit	50% of the benefit that would have been payable to the participant, assuming early retirement on the date of death or earliest retirement date if later and election of a 50% joint and survivor benefit.														
Regular death benefit	Lump sum present value of accrued benefit														

Plan Name:	UPS Retirement Plan
EIN / PN:	95-1732075/001
Plan Sponsor:	United Parcel Service of America, Inc.
Valuation Date:	January 1, 2021

SCHEDULE SB ATTACHMENTS

Disability benefit

For participants who become disabled before eligibility for early or normal retirement but on or before June 30, 2006, disability benefit is 55% of the vested accrued benefit.

For participants who become disabled before eligibility for early or normal retirement but after July 1, 2006:

- ▶ If not eligible for LTD, \$9.60 per month times benefit service up to 30 years, payable until the participant's early retirement date at which time the participant receives an early retirement benefit.
- ▶ If eligible for LTD, they will continue to accrue benefit service to the earlier of their normal retirement date and the date at which they recover from disability. All other employees receive an early retirement benefit accrued on the date of disability.

For disabilities occurring after eligibility for early or normal retirement after July 1, 2006, the benefit payable is early or normal retirement benefit as applicable.

Eligibility for Benefits

Normal retirement	NRD. Participant is not required to retire to commence normal retirement benefits.
Early retirement	Attainment of age 55 and completion of five years of vesting service but not later than NRD.
Postponed retirement	Retire after NRD
Disability retirement	Completion of five or more years of vesting service, terminate prior to age 55 due to disability (and qualify for Social Security disability benefits)
Deferred vested	Terminate for reasons other than death, retirement or disability after completing five years of vesting service.
Preretirement spouse benefit	Die while a participant of the plan, married, and having attained five years of vesting service (no service requirement if active participant at time of death), but before benefit commencement.
Regular death benefit	Die while a participant of the plan

Benefits Paid Upon the Following Events

Normal retirement	Monthly pension benefit determined as of NRD
Early retirement	Pension benefit for formulas (1) and (2) is reduced by 0.375% (4.5% annually) for each month that retirement precedes age 65. Pension benefit for formula (3) is reduced as follows:

Plan Name:	UPS Retirement Plan
EIN / PN:	95-1732075/001
Plan Sponsor:	United Parcel Service of America, Inc.
Valuation Date:	January 1, 2021

SCHEDULE SB ATTACHMENTS

- ▶ Attained age 55, but not 60 with less than 30 years of benefit service, pension benefit is reduced by 0.4167% (5% annually) for each month prior to 65.
- ▶ Attained age 55, but not 60 with at least 30 years of benefit service, pension benefit is unreduced.
- ▶ Attained age 60, with less than 25 years of benefit service, pension benefit is reduced by 0.25% (3% annually) for each month prior to 65.
- ▶ Attained age 60, with at least 25 years of benefit service, pension benefit is unreduced.

Postponed retirement	Pension benefit determined as of actual retirement date
Disability retirement	Disability benefit, provided no benefit is payable from the plan while the participant is receiving short or long term disability.
Termination with deferred vested benefit	Pension benefit determined as of termination date is payable beginning at NRD. May commence as early as age 55. Pension benefit for formulas (1) and (2) reduced by 0.375% (4.5% annually) for each month that retirement precedes age 65. Pension benefit for formula (3) is reduced by 0.4167% (5% annually) for each month that payment begins before age 65.
Death	Preretirement spouse benefit is payable to eligible surviving spouse. Regular death benefit is payable to beneficiary. The regular death benefit is first offset by the value of the preretirement spouse benefit. The remaining amount, if any, is payable to the participant's beneficiary.

Other Plan Provisions

Forms of payment	Actuarially equivalent 50% joint and survivor annuity if married on date payments commence; life annuity if single. Lump sum if present value is less than \$5,000. Optional forms (actuarial equivalent to normal form): <ul style="list-style-type: none">▶ 5-year certain and continuous annuity▶ 10-year certain and continuous annuity▶ 50% or 75% joint and survivor annuity (non-spouse beneficiary)▶ 100% joint and survivor annuity
Maximum on benefits and pay	All benefits and compensation for any calendar year may not exceed the maximum limitation for that year as defined in the Internal revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective.

Plan Name:	UPS Retirement Plan
EIN / PN:	95-1732075/001
Plan Sponsor:	United Parcel Service of America, Inc.
Valuation Date:	January 1, 2021

SCHEDULE SB ATTACHMENTS

Changes in Benefits Valued Since Prior Measurement Date

None.

Plan Name: UPS Retirement Plan
EIN / PN: 95-1732075/001
Plan Sponsor: United Parcel Service of America, Inc.
Valuation Date: January 1, 2021

SCHEDULE SB ATTACHMENTS

4. Applicable to Pilots

Plan Provisions

Covered Employees	Employed as a crewmember (i.e., flight engineer, second officer, first officer or captain) and represented by the Independent Pilots Association (IPA), and not covered by any other UPS-sponsored defined benefit plan
Participation Date	If crewmember was (a) an eligible employee on seniority list on March 17, 1998 and (b) age 21 with one vesting year as of March 17, 1998, participation date is March 17, 1998. For all others, participation date is the January 1 or July 1 following attainment of age 21 and completion of one vesting year.

Definitions

Vesting year	First 12 months of employment (if crewmember completes 750 hours of service), or a calendar year in which crewmember completes 750 hours of service. Vesting years are counted from initial hire date with UPS.
Normal retirement date (NRD)	Attainment of age 60 and one vesting year
Actuarial Equivalence	7% and 1983 Group Annuity Mortality (GAM) : male table for participants; female table for beneficiaries.
Compensation	Compensation reported on Form W-2, including any amounts deferred under Sections 125, 129 or 401(k) of the Internal Revenue Code (IRC). Limited each year by the annual compensation limit.
Annual compensation limit	Compensation is limited to the minimum of \$300,000 and the IRS pay limit for qualified plans
Final average earnings (FAE)	Average of highest five completed calendar years of compensation in last ten complete calendar years of covered employment. For postponed retirement, FAE is the greater of FAE as if retired at age 60 or FAE at postponed retirement date.

Plan Name: UPS Retirement Plan
EIN / PN: 95-1732075/001
Plan Sponsor: United Parcel Service of America, Inc.
Valuation Date: January 1, 2021

SCHEDULE SB ATTACHMENTS

Service credit

Service is credited under the plan for covered employment after 1987.

For plan years prior to January 1, 2004, eligible participants will be credited with a full year of service for each calendar year in which he or she worked at least one hour in Covered Employment.

For plan years beginning on or after January 1, 2004, years and months of service credit will be determined according to the following schedule:

<u>Hours of Covered Employment in Each Calendar Year</u>	<u>Months of Service Credit</u>
Less than 81	0
81 – 162	3
163 – 243	4
244 – 324	5
325 – 405	6
406 – 487	7
488 – 568	8
569 – 649	9
650 – 730	10
731 – 812	11
813 or more	12

Eligibility for Benefits

Normal retirement	First of month coincident with or following attainment of NRD
Early retirement	First of month coincident with or following attainment of age 55 and five vesting years, but not later than NRD
Postponed retirement	Retire after NRD
Deferred vested	Terminate for reasons other than death, disability or retirement after completing one vesting year.
Preretirement spouse benefit	Die while an active plan participant, married and vested, or after retirement or vested termination but before benefit commencement
Disability	Loss of license after completion of probationary period

Plan Name:	UPS Retirement Plan
EIN / PN:	95-1732075/001
Plan Sponsor:	United Parcel Service of America, Inc.
Valuation Date:	January 1, 2021

SCHEDULE SB ATTACHMENTS

Benefits Paid Upon the Following Events

Normal retirement	<p>1.0% of final average earnings times years and months of service credit (maximum 30 years).</p> <p>For participants reaching their Normal Retirement Age prior to August 31, 2023, their Normal Retirement benefit will not be less than a dollar amount equal to (1) times (2):</p> <p>(1) \$4,000 if highest rank attained is Captain; \$3,200 if highest rank attained is First Officer, Flight Engineer or Second Officer</p> <p>(2) Years and months of service credit (maximum 30 years)</p> <p>For participants who separate during 2020, the multipliers in (1) increase to \$4,100 for Captains and \$3,280 for all others.</p> <p>For participants who separate during 2021, the multipliers in (1) increase to \$4,200 for Captains and \$3,360 for all others.</p> <p>For participants who separate during 2022, the multipliers in (1) increase to \$4,300 for Captains and \$3,440 for all others.</p> <p>For participant who separate on or after January 1, 2023, the multipliers in (1) increase to \$4,400 for Captains and \$3,520 for all others.</p>
Early retirement	<p>Same benefit as for normal retirement, based on final average earnings and service credit at early retirement. Benefit is actuarially reduced if benefits commence prior to normal retirement.</p>
Postponed retirement	<p>Same benefit as for normal retirement but using service credit at actual termination. The FAE used is the greater of FAE at actual retirement or FAE at age 60.</p>
Death with preretirement spouse benefit	<p>Benefit payable to surviving spouse equal to 50% of benefit that would have been payable to the participant, assuming the participant terminated on his date of death and commenced benefits in the form of a 50% joint and survivor annuity.</p>
Disability	<p>Benefit payable is same as for normal retirement except:</p> <ul style="list-style-type: none">▶ Service accrues after disability as if participant remained in active employment until normal retirement date (or early retirement date, if elected). Accrual ceases if participant obtains other gainful employment, recovers from disability or retires.▶ FAE is based on compensation paid during active employment prior to becoming disabled.
Termination with deferred vested benefit	<p>Same benefit as for normal retirement, based on final average earnings and service credit at termination. Benefit is actuarially reduced if benefits commence prior to normal retirement.</p>

Plan Name:	UPS Retirement Plan
EIN / PN:	95-1732075/001
Plan Sponsor:	United Parcel Service of America, Inc.
Valuation Date:	January 1, 2021

SCHEDULE SB ATTACHMENTS

Other Plan Provisions

Forms of payment

Actuarially equivalent 50% joint and survivor annuity if married on date payments commence; life annuity if single.

Optional forms (actuarial equivalent to normal form):

- ▶ Single life annuity (for married participants)
- ▶ 50%, 66⅔%, 75% and 100% joint and survivor annuity
- ▶ Life annuity with certain period (5, 10, 15 or 20 years)
- ▶ Level income option at age 62 or age 65

Changes in Benefits Valued Since Prior Year

The minimum benefit provisions have been updated in accordance with the contract extension ratified on March 31, 2020.

Plan Name: UPS Retirement Plan
EIN / PN: 95-1732075/001
Plan Sponsor: United Parcel Service of America, Inc.
Valuation Date: January 1, 2021

SCHEDULE SB ATTACHMENTS

5. Applicable to Portable Account Formula (PAF) participants

Plan Provisions

Covered Employees	Eligible employees (excluding pilots) hired, rehired or transferred into the Retirement Plan after December 31, 2007 and before July 1, 2016. As amended in June 2017, beginning December 31, 2022 no future accruals will be earned in the UPS Retirement Plan.
Participation Date	All Covered Employees become eligible to participate immediately.

Definitions

Vesting service	One year for each calendar year in which an employee completes 750 hours of service.
Compensation	Basic salary or wages plus overtime pay, certain incentive and bonus pay, and deferrals to the UPS Deferred Compensation Plan, Section 401(k) and Section 125 deferrals, and eligible MIP compensation, limited as required by Section 401(a)(17) of the Internal Revenue Code. Eligible MIP compensation is equal to MIP/IMIP ownership incentive awards plus MIP/IMIP performance incentive awards times the legacy MIP percentage is defined for each job group as the current MIP/IMIP target over the legacy MIP/IMIP target (prior to inclusion of long-term incentives). For the purpose the MIP/IMIP awards considered includes the value of the restricted stock unit portion of the award (as of the award date) even if not vested.
PAF balance	The sum of annual compensation credits plus interest credits.
Normal retirement date (NRD)	First of month coinciding with or next following the attainment of age 65 with five years of vesting service or participation. If a participant prior to January 1, 1989, first of the month coinciding with or next following the attainment of age 65.
Pension benefit	The PAF balance as a single lump sum or actuarially equivalent annuity.
Preretirement spouse benefit	The surviving spouse will be entitled to receive the PAF balance as a single lump sum or an actuarially equivalent life annuity based on the surviving spouse's age at commencement.
Annual compensation credits	A percentage of pensionable pay (depending on Employer Company Group), based on the sum of the participant's age plus vesting service, as of January 1 of any plan year and the employer companies group as follows:

Plan Name:	UPS Retirement Plan
EIN / PN:	95-1732075/001
Plan Sponsor:	United Parcel Service of America, Inc.
Valuation Date:	January 1, 2021

SCHEDULE SB ATTACHMENTS

<u>Age + Vesting Service</u>	<u>Employer Company Group A Compensation Credit</u>	<u>Employer Company Group B Compensation Credit</u>
Under 35	5.0%	2.5%
35-54	6.0%	3.0%
55-74	7.0%	4.0%
75 or more	8.0%	5.0%

Groups A and B are defined in the attached exhibit.

Interest credit	Interest Credits are applied at the end of the plan year to the January 1 PAF balance based on the interest credit percentage in effect for the plan year.
Interest credit percentage	The annual rate of interest on 30-year Treasury securities for the month of August preceding the applicable Plan Year, but not less than 2.5% per year.

Eligibility for Benefits

Normal retirement	Retirement on NRD.
Postponed retirement	Retirement after NRD.
Deferred vested	Termination for reasons other than death or retirement after completing three years of vesting service but before early retirement.
Preretirement spouse benefit	Die while a member of the plan, married, and vested, but before benefit commencement.

Other Plan Provisions

Forms of payment	<p>Lump sum or actuarially equivalent 50% joint and survivor annuity if married on date payments commence; actuarially equivalent life annuity if single.</p> <p>Optional forms (actuarial equivalent to normal form):</p> <ul style="list-style-type: none"> ▶ 10-year certain and continuous annuity ▶ 75% joint and survivor annuity ▶ 100% joint and survivor annuity ▶ Life annuity if married
Maximum on benefits and pay	All benefits and compensation for any calendar year may not exceed the maximum limitation for that year as defined in the Internal

Plan Name: UPS Retirement Plan
 EIN / PN: 95-1732075/001
 Plan Sponsor: United Parcel Service of America, Inc.
 Valuation Date: January 1, 2021

SCHEDULE SB ATTACHMENTS

Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective.

Changes in Benefits Valued Since Prior Year

None.

Plan Name: UPS Retirement Plan
EIN / PN: 95-1732075/001
Plan Sponsor: United Parcel Service of America, Inc.
Valuation Date: January 1, 2021

SCHEDULE SB ATTACHMENTS

Company Name
Group A
Trailer Conditioners, Inc.
United Parcel Service Co.
United Parcel Service General Services Co.
UPS Fuel Services, Inc. (UPS Aviation Services, Inc. prior to January 1, 2003)
UPS International General Services Co.
UPS Procurement Services Corporation
UPS Worldwide Forwarding, Inc.
United Parcel Service, Inc. (Ohio)
BT Realty Holdings, Inc.
United Parcel Service, Inc. (NY)
BT Realty Holdings II, Inc.
UPS Latin America, Inc.
United Parcel Service of America, Inc
UPS Capital Corporation
UPS Capital Insurance Agency, Inc. (Glenlake Insurance Agency, Inc. prior to August 12, 2002)
UPS Capital Insurance Agency, Inc. of California (Glenlake Insurance Agency, Inc. of CA prior to August 13, 2002)
UPS Ground Freight, Inc. (formerly Overnite Transportation Company (for periods before May 1, 2006) or Motor Cargo Industries, Inc.
Group B
Pax Logistics International, Ltd.
UPS Logistics Technologies, Inc. (f/k/a Roadnet Technologies, Inc.)
UPS Supply Chain Management, Inc. (f/k/a UPS World Wide Logistics)
UPS Supply Chain Management, Inc. (including Diversified Trimodal, Inc. d/b/a Martrac)
Worldwide Dedicated Services, Inc.
UPS Customhouse Brokerage

Plan Name: UPS Retirement Plan
 EIN / PN: 95-1732075/001
 Plan Sponsor: United Parcel Service of America, Inc.
 Valuation Date: January 1, 2021

UPS RETIREMENT PLAN

Employer ID No.: 95-1732075

Plan Number: 001

**FORM 5500, SCHEDULE H, PART IV, LINE 4i—SCHEDULE OF ASSETS
(HELD AT YEAR END)
AS OF DECEMBER 31, 2021**

(a) Identity of Issuer, Borrower, Lessor, or Similar Party	(b) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, and Par or Maturity Value	(c) Cost	(d) Current Value
REGISTERED INVESTMENT COMPANIES: DREYFUS TREAS & AGY CSH CSH MG			
	996085247 VAR RT 12/31/2049 DD 04/09/97	\$ 246,318	\$ 246,318
TOTAL INVESTMENTS HELD OUTSIDE OF MASTER TRUST		\$ 246,318	\$ 246,318

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 32
Schedule of Amortization Bases
as of January 1, 2021

Type of Base	Date Established	Initial Amount	Remaining Amortization Period (Years)	Outstanding Balance	Amortization Payment
Shortfall	01/01/2021	(713,184,115)	15.00000	(713,184,115)	(66,498,407)
Shortfall	01/01/2020	(2,216,450,716)	14.00000	(2,131,599,912)	(208,095,163)
Shortfall	01/01/2019	4,111,827,938	13.00000	3,701,399,399	380,170,745
Total				856,615,372	105,577,175

Plan Name: UPS Retirement Plan
EIN / PN: 95-1732075/001
Plan Sponsor: United Parcel Service of America, Inc.
Valuation Date: January 1, 2021

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 24 Change in Actuarial Assumptions

The following non-prescribed assumptions were changed from the prior valuation:

1. The assumed administrative expenses were changed from \$114,000,000 in 2020 to \$90,000,000 in 2021.
2. Retirement rates, termination rates, PAF commencement, spouse age difference and optional forms of payment elected were updated based on a demographic assumption study conducted in 2021.

Plan Name: UPS Retirement Plan
EIN / PN: 95-1732075/001
Plan Sponsor: United Parcel Service of America, Inc.
Valuation Date: January 1, 2021