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).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2022

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022

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.)
- [X] 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. . . . . ▶ [X]

D Check box if filing under:
- [X] 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 PENSION PLAN

1b Three-digit plan number (PN) ▶ 022

1c Effective date of plan 01/01/1973

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

2b Employer Identification Number (EIN) 95-1732075

2c Plan Sponsor's telephone number 404-828-8517

2d Business code (see instructions) 533110

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.	10/05/2023	QUANTIS HALL
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/12/2023	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

3a Plan administrator's name and address [X] 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**	226093
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)**	151682
a(2) Total number of active participants at the end of the plan year	**6a(2)**	153217
b Retired or separated participants receiving benefits	**6b**	29712
c Other retired or separated participants entitled to future benefits	**6c**	48333
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	231262
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	3122
f Total. Add lines **6d** and **6e**	**6f**	234384
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	0
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	13561
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 1D

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)** [X] 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)** [X] 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)** [X] **R** (Retirement Plan Information)
- **(2)** [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- **(3)** [X] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [ ] 0 **A** (Insurance Information)
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [X] **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 2022 Form M-1 annual report. If the plan was not required to file the 2022 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

2022

This Form is Open to Public Inspection

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022

▶ **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
UPS PENSION PLAN

B Three-digit plan number (PN) ▶ 022

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
UNITED PARCEL SERVICE OF AMERICA, INC.

D Employer Identification Number (EIN)
95-1732075

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2022

2 Assets:

a Market value	**2a**	12744401395
b Actuarial value	**2b**	12035268743

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	27079	2605402373	2605402373
b For terminated vested participants	46222	1928055802	1928055802
c For active participants	166045	4254351284	4578416951
d Total	239346	8787809459	9111875126

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**	5.61 %
6 Target normal cost		
a Present value of current plan year accruals	**6a**	182987079
b Expected plan-related expenses	**6b**	66000000
c Total (line 6a + line 6b)	**6c**	248987079

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

Signature of actuary — Date: 10/10/2023

CHELSEA RM SWIRSKY — Type or print name of actuary

23-08200 — Most recent enrollment number

WILLIS TOWERS WATSON US LLC — Firm name

404-224-5000 — Telephone number (including area code)

FIVE CONCOURSE PARKWAY SUITE 1800
ATLANTA, GA 30328

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 [ ]

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	2623051275
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	311618388
9	Amount remaining (line 7 minus line 8)	0	2311432887
10	Interest on line 9 using prior year's actual return of 13.71 %	0	316897449
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		349070595
	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 5.79 %		2216751
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		42608588
	c Total available at beginning of current plan year to add to prefunding balance		393895934
	d Portion of (c) to be added to prefunding balance		393895934
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	3022226270

Part III Funding Percentages

14	Funding target attainment percentage	14	98.91 %
15	Adjusted funding target attainment percentage	15	132.08 %
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	94.05 %
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
03/15/2023	370000000	0			
			Totals ► 18(b)	370000000	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	346436768

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] 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:

	1st segment:	2nd segment:	3rd segment:	
a Segment rates:	4.75 %	5.18 %	5.92 %	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	4
22 Weighted average retirement age	**22**	61

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 Demographic and benefit information

a Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No

b Is the plan required to provide a projection of expected benefit payments? 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**	248987079
b Excess assets, if applicable, but not greater than line 31a	**31b**	0

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	98832653	15843417
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**	264830496

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement		243643454	243643454

36 Additional cash requirement (line 34 minus line 35)	**36**	21187042
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	346436768

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36)	**38a**	325249726
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	243643454
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 the American Rescue Plan Act of 2021 (See Instructions)

41 If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies. ☒ 2019 ☐ 2020 ☐ 2021

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	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.**	**2022** **This Form is Open to Public Inspection.**

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022

A Name of plan
UPS PENSION PLAN

B Three-digit plan number (PN) ▶ 022

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)

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)

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	634224	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(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	570251	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(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 50	NONE	259922	Yes [ ] No [X]	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)

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	184917	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

TOWERS WATSON DELAWARE INC

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	141723	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

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

QDRO BENEFITS FIRM

84-2015520

(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 36	NONE	96815	Yes [ ] No [X]	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)

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?
16 50	NONE	67350	Yes [ ] No [X]	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	15207	Yes [ ] No [X]	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: TIM HOPPIN
b EIN: 53-0181291
c Position: ENROLLED ACTUARY
d Address: FIVE CONCOURSE PARKWAY
SUITE 1800
ATLANTA, GA 30328
e Telephone: 404-224-5000

Explanation: REASSIGNMENT OF WORK WITHIN WILLIS TOWERS WATSON

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:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan 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

2022

This Form is Open to Public Inspection.

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022

A Name of plan
UPS PENSION PLAN

B Three-digit plan number (PN) ▶ 022

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	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
35-2371556-001	M	9198216629

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)

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

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)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

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

2022

This Form is Open to Public Inspection

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022

A Name of plan
UPS PENSION PLAN

B Three-digit plan number (PN) ▶ 022

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)	410000000	370000000
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	2	1190
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	148493	354330
(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)		
(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)	12364248114	9198216629
(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)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(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	12774396609	9568572149
	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 through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	12774396609	9568572149

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.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	370000000	
	(B) Participants	2a(1)(B)		
	(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)		370000000
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	4039	
	(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)		4039
	(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)		-3245569119
(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		-2875565080
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	271420644	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		271420644
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)	58838736	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		58838736
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		330259380
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		-3205824460
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) [X] 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)** [X] 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:

		Yes	No	Amount
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.)	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?	4e	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?	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?	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?	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.)	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.)	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?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	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 475240.

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

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).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2022

This Form is Open to Public Inspection.

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022

A Name of plan
UPS PENSION PLAN

B Three-digit plan number (PN) ▶ 022

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** 235

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

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**

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**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (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: 33.6 % Investment-Grade Debt: 25.8 % High-Yield Debt: 2.0 % Real Estate: 6.5 % Other: 32.1 %

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 Pension Plan

Employer ID No.: 95-1732075
Plan Number: 022

Financial Statements as of and for the
Years Ended December 31, 2022 and 2021,
Supplemental Schedule as of December 31, 2022,
and Independent Auditor’s Report

UPS PENSION PLAN

TABLE OF CONTENTS

	Page
INDEPENDENT AUDITOR'S REPORT	2
FINANCIAL STATEMENTS:	
Statements of Net Assets Available for Benefits as of December 31, 2022 and 2021	5
Statements of Changes in Net Assets Available for Benefits for the Years Ended December 31, 2022 and 2021	6
Notes to Financial Statements as of and for the Years Ended December 31, 2022 and 2021	7
SUPPLEMENTAL SCHEDULE:	25
Form 5500, Schedule H, Part IV, Line 4i—Schedule of Assets (Held at End of Year) as of December 31, 2022	26

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.

Deloitte & Touche LLP
191 Peachtree St NE Ste 2000
Atlanta, GA 30303
USA

Tel: 404 220 1713
Fax: 404 890 9915
www.deloitte.com

INDEPENDENT AUDITOR'S REPORT

To the Administrative Committee of
the UPS Pension Plan:

Opinion

We have audited the financial statements of the UPS Pension 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, 2022 and 2021, 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, 2022 and 2021, 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, 2022 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 11, 2023

UPS PENSION PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2022 AND 2021
(In millions)

	2022	2021
ASSETS:		
Investments—at fair value:		
Plan interest in the UPS Master Trust	$ 9,199	$ 12,364
Contributions receivable from Employer	370	410
NET ASSETS AVAILABLE FOR BENEFITS	$ 9,569	$ 12,774

See notes to financial statements.

UPS PENSION PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021
(In millions)

	2022	2021
NET ASSETS AVAILABLE FOR BENEFITS—Beginning of year	$ 12,774	$ 11,148
ADDITIONS:		
Employer contributions	370	410
Net appreciation (depreciation) in fair value of investments	(3,245)	1,473
Total additions	(2,875)	1,883
DEDUCTIONS:		
Benefits paid to Plan beneficiaries	271	229
Administrative expenses:		
Fees and commissions	2	1
Insurance premiums to Pension Benefit Guaranty Corporation	57	27
Total deductions	330	257
INCREASE (DECREASE) IN NET ASSETS	(3,205)	1,626
NET ASSETS AVAILABLE FOR BENEFITS—End of year	$ 9,569	$ 12,774

See notes to financial statements.

UPS PENSION PLAN

NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021

1. DESCRIPTION OF THE PLAN

The following description of the UPS Pension 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 January 1, 1973, 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 certain employees of United Parcel Service, Inc. (the "Plan Sponsor") and subsidiary companies (together, "UPS") who are covered by a collective bargaining agreement, which 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 continue to earn vesting and subsidy service while employed at the successor organization.

Contributions—Contributions to the Plan are made solely by UPS. UPS's 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 $370 million and $410 million to the Plan for the years ended December 31, 2022 and 2021, respectively. The 2022 amount of $370 million was remitted on March 15, 2023 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, 2022 and 2021.

Eligibility—The current provisions of the Plan generally provide that an eligible employee automatically becomes a participant on January 1 or July 1 immediately following the date that the person meets the following requirements:

a. The employee is at least 21 years old.

b. The employee has completed at least 750 paid hours of service during the first 12 months of hire or during any calendar year thereafter; or

c. The part-time employee has completed at least 375 paid hours of service during the first 12 months of hire or during any calendar year thereafter.

Pension Benefits—Benefits are payable based on the years of vesting credit, as defined, as either single-life or joint annuity benefits, as follows:

a. Upon completion of 5 years of vesting credit, the full benefit amount will be paid at normal retirement age, as defined by the Plan.

b. Upon completion of 10 years of vesting credit, a reduced amount may be paid, provided that the participant is at least 50 years of age (55 years of age for some employee groups).

c. Regardless of age, if an employee has completed at least 10 years of vesting credit and becomes totally and permanently disabled, a disability benefit amount will be paid.

d. Upon completion of 5 years of vesting credit, a partial or full benefit amount may be paid as defined by the Plan in the event of a participant's death.

Lump Sum Distribution—There were no options to receive a one-time payment of vested benefit in 2022 or 2021.

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.

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, 2022, subsequent events were evaluated through October 11, 2023, 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:

a. The lowest benefit in pay status for at least three years (or which would have been if the participant had retired that long ago)

b. Other insured benefits

c. Other noninsured, nonforfeitable benefits

d. 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. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination, subject to a statutory ceiling on the amount of an individual's monthly benefit.

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.

Benefits under the Plan are based on either (1) the higher of the regular pension benefit or service pension benefit for those employees whose benefit is calculated as a set dollar amount for each year of service provided; or (2) employees' average compensation during the highest five consecutive calendar years of pensionable pay

during the 10-year period ending on the earlier of the participant's termination date, date of death, or Plan termination date.

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, 2022 and 2021, are as follows:

	2022	2021
Mortality	Pri-2012 healthy blue collar mortality table, separate tables for retirees and contingent survivors, with MP-2021 morality improvements after 2012 assuming the long-term rate of mortality improvement phases down to 0.5% by 2027.	Pri-2012 healthy blue collar mortality table, separate tables for retirees and contingent survivors, with MP-2021 morality improvements after 2012 assuming the long-term rate of mortality improvement phases down to 0.5% by 2026.
Discount rate	7.40%	5.75%
Average retirement age	62.4	62.3

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, 2022 and 2021, are as follows (in millions):

	2022	2021
Vested benefits:		
Other participants	$ 4,432	$ 5,899
Participants and/or beneficiaries currently receiving benefits	2,546	2,430
Total vested benefits	6,978	8,329
Nonvested benefits	231	310
Total actuarial present value of accumulated plan benefits	$ 7,209	$ 8,639

The changes in the actuarial present value of the Plan's accumulated plan benefits for the years ended December 31, 2022 and 2021, are as follows (in millions):

Actuarial present value of accumulated plan benefits—	December 31, 2020	$	6,533
Increase (decrease) during the year attributable to:			
Additional benefits accumulated			148
Benefit payments			(229)
Actuarial assumption changes[1]			1,698
Decrease in the discount period			476
Actuarial (gain)/loss			13
Total increase (decrease)			2,106
Actuarial present value of accumulated plan benefits—	December 31, 2021		8,639
Increase (decrease) during the year attributable to:			
Additional benefits accumulated			178
Benefit payments			(271)
Actuarial assumption changes[2]			(1,892)
Decrease in the discount period			499
Actuarial (gain)/loss			56
Total increase (decrease)			(1,430)
Actuarial present value of accumulated plan benefits—	December 31, 2022	$	7,209

1 The assumptions changes include a $9 million increase due to the update to the mortality tables, and a $1.689 billion increase due to the change in discount rate from 7.25% to 5.75%.

2 The assumptions changes include a $1 million decrease due to the updates to the mortality tables, and a $1.891 billion decrease due to the change in discount rate from 5.75% to 7.40%.

5. INTEREST IN MASTER TRUST

As of December 31, 2022 and 2021, 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, 2022, the following plans participate in the Master Trust:

(1) the UPS Retirement Plan,

(2) the UPS Pension Plan (the "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, 2022 and 2021, the Plan's interest in the net assets of The Master Trust was 22%.

The following table presents each investment sleeve and the percentage of ownership by participating plans within the sleeve as of December 31, 2022 and 2021:

	UPS Retirement Plan		**UPS Pension Plan**		**UPS/IBT Full-Time Employee Pension Plan**	
	2022	**2021**	**2022**	**2021**	**2022**	**2021**
	Sleeve	**Sleeve**	**Sleeve**	**Sleeve**	**Sleeve**	**Sleeve**
Public Equity	46 %	42 %	**22 %**	**26 %**	32 %	32 %
Fixed Income - Rates	48 %	75 %	**23 %**	**11 %**	29 %	14 %
Fixed Income - Corporate	84 %	50 %	**7 %**	**23 %**	9 %	27 %
Fixed Income - Overlay	54 %	56 %	**22 %**	**23 %**	24 %	21 %
Fixed Income – Long Duration (IBT)	— %	— %	**— %**	**— %**	100 %	100 %
Fixed Income – Long Duration (Pension)	— %	— %	**100 %**	**100 %**	— %	— %
Fixed Income – Long Duration (Retirement)	100 %	100 %	**— %**	**— %**	— %	— %
Liquid Alternatives	49 %	49 %	**24 %**	**26 %**	27 %	25 %
Credit I	49 %	49 %	**26 %**	**26 %**	25 %	25 %
Credit II	— %	— %	**50 %**	**50 %**	50 %	50 %
Credit III	40 %	— %	**25 %**	**— %**	35 %	— %
Private Equity I	49 %	49 %	**26 %**	**26 %**	25 %	25 %
Private Equity II	— %	— %	**50 %**	**50 %**	50 %	50 %
Private Equity III	40 %	— %	**25 %**	**— %**	35 %	— %
Real Estate I	49 %	49 %	**26 %**	**26 %**	25 %	25 %
Real Estate II	— %	— %	**50 %**	**50 %**	50 %	50 %
Real Estate III	40 %	— %	**25 %**	**— %**	35 %	— %
Cash	55 %	60 %	**20 %**	**18 %**	25 %	22 %

The fair value of net assets and investments of the Master Trust at December 31, 2022 and 2021, is summarized as follows (in millions):

	2022		2021	
Investments:	Pension Plan	Group Trust	Pension Plan	Group Trust
U.S. government securities	$ 3,035	$ 16,271	$ 4,943	$ 27,713
103-12 investment entities—hedge funds	—	—	76	295
Common and collective trusts	1,297	5,855	1,726	7,191
Common and preferred stock	1,306	5,832	2,998	13,847
Corporate debt instruments	580	6,325	1,489	6,375
Interest-bearing cash	19	92	22	112
Derivative instruments and other investments	240	1,043	545	3,745
Partnerships, joint ventures, and real estate	3,649	12,783	3,319	11,723
Registered investment companies	377	1,695	571	2,371
Total investments	10,503	49,896	15,689	73,372
Unsettled securities transactions receivable (payable):				
Interest and dividends	31	199	42	157
Due from brokers	62	276	—	25
Accrued expenses	(16)	(100)	(2)	(7)
Derivative instruments and other investments	(1,290)	(7,573)	(3,313)	(17,313)
Other receivables	—	—	29	125
Other payables	(91)	(659)	(81)	(375)
Total unsettled securities transactions receivable (payable)	(1,304)	(7,857)	(3,325)	(17,388)
Contributions receivable		1,180		1,887
Net assets of the Master Trust	$ 9,199	$ 43,219	$ 12,364	$ 57,871
Net assets of the Master Trust-excluding contribution receivable		$ 42,039		$ 55,984
Plan's interest in the Master Trust as a percentage of the total, rounded	22 %		22 %	

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, 2022 and 2021, are summarized below (in millions):

	2022	2021
Dividend and interest income	$ 671	$ 603
Net appreciation (depreciation) in fair value of investments	(14,239)	4,102
Master Trust administrative expenses	(180)	(137)
Investment income of Master Trust	$ (13,748)	$ 4,568
Plan's interest in investment income of Master Trust	$ (3,245)	$ 1,473

6. INVESTMENTS

As of December 31, 2022 and 2021, 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.

Plan 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 $5.855 billion and $7.191 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, 2022 and 2021, 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, 2022 and 2021.

The Master Trust held approximately $8.202 billion and $7.786 billion of its investments in interests in various private equity, global equity, credit and real estate funds as of December 31, 2022 and 2021, 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, 2022 and 2021, unfunded commitments to such interests totaling approximately $3.266 billion and $3.042 billion, respectively, are expected to be contributed over the remaining investment period, typically ranging between 3 and 6 years.

The Master Trust held certain investments in interests in various fixed income funds as of December 31, 2021. As of December 31, 2022, the Master Trust no longer held any investments in interest in fixed income funds. No unfunded commitments existed with respect to fixed income funds as of December 31, 2022 and 2021.

As of December 31, 2022 and 2021, approximately $4.044 billion and $3.230 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 2 and 3 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, 2022 and 2021.

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, 2022:

Master Trust Assets

	Fair Value Measurements at December 31, 2022[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	$ 1,004	$ —	$ —	$ 1,004
Fixed income	775	12	—	787
Global equity	872	—	—	872
International equity	1,524	—	—	1,524
Real estate	267	37	—	304
U.S. large cap	855	—	—	855
U.S. small cap	486	—	—	486
Total common and preferred stocks	5,783	49	—	5,832
Corporate debt instruments	—	6,325	—	6,325
U.S. government securities	15,547	724	—	16,271
Interest-bearing cash	34	58	—	92
Registered investment companies:				
Emerging markets	128	—	—	128
Fixed Income	191	—	—	191
U.S. large cap	1,376	—	—	1,376
Total registered investment companies	1,695	—	—	1,695
Collective trust funds:				
Emerging markets	—	427	—	427
International equity	—	1,354	—	1,354
U.S. large cap	—	4,071	—	4,071
Hedge Funds	—	3	—	3
Total collective trust funds	—	5,855	—	5,855
Derivative instruments and other investments, net[1]	9	(6,539)	—	(6,530)
Partnerships, joint ventures, and real estate:				
International Equity	—	537	—	537
Hedge funds[1]	—	2,419	—	4,044
Private equity[1]	—	—	—	4,779
Global equity	1	—	—	1
Credit[1]	—	291	—	1,433
Real estate[1]	—	—	—	1,989
Total partnerships, joint ventures, and real estate	1	3,247	—	12,783
Total investments	$ 23,069	$ 9,719	$ —	$ 42,323

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 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[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

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.

Plan assets are invested in accordance with applicable laws and regulations. The primary long-term investment objectives for plan 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, 2022 and 2021:

	Corporate Debt Instruments
Beginning balance - January 1, 2021	$ 3
Actual return on assets:	
Assets held at end of year	—
Assets sold during the year	(16)
Purchases	33
Sales	(6)
Settlements	—
Transfers into Level 3	—
Transfers out of Level 3	—
Ending balance - December 31, 2021	14
Actual return on assets:	
Assets held at end of year	—
Assets sold during the year	(9)
Purchases	3
Sales	(7)
Settlements	—
Transfers into Level 3	—
Transfers out of Level 3[1]	(1)
Ending balance - December 31, 2022	$ —

1 Due to additional observable market inputs.

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, 2022 and 2021, 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, 2022						
Investments						
Derivative instruments and Other Investments	333	—	15	(3)	—	345
Total Investments	$ 333	$ —	$ 15	$ (3)	$ —	$ 345
Unsettled securities transactions receivable (payable):						
Derivative instruments and Other Investments	(7,414)	—	—	(84)	(1)	(7,499)
Other payables	—	(54)	—	—	—	(54)
Total unsettled securities transactions receivable (payable):	$ (7,414)	$ (54)	$ —	$ (84)	$ (1)	$ (7,553)

	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	$ 2,645	$ (1)	$ 17	$ 39	$ (7)	$ 2,693
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):	$ (17,037)	$ 37	$ —	$ (95)	$ —	$ (17,095)

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, 2022 and 2021 (in millions):

	Net gains (losses)	
Derivative Contracts	**2022**	**2021**
Credit Risk Contracts	(16)	(1)
Equity Risk Contracts	(24)	(141)
Foreign Currency Risk Contracts	216	174
Interest Rate Risk Contracts	(2,315)	(149)
Commodity Risk Contracts	47	54
Total	$ (2,092)	$ (63)

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, 2022 (in millions):

	(i)	(ii)	(iii) = (i) + (ii)	(iv)		(v) = (iii) + (iv)
				Gross Amounts Not Offset in the Statement of Net Assets Available for Benefits		
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	Financial Instruments	Cash Collateral Received	Net Amount
Credit default swaps	$ 16	$ (1)	$ 15	$ —	$ (10)	$ 5
Forward contracts	5,372	(5,372)	—	—	—	—
Futures contracts	3	(1)	2	—	—	2
Interest rate swaps	165	(86)	79	—	—	79
Options	10	—	10	—	—	10
Repurchase agreements	2,198	(2,010)	188	—	(5)	183
Securities lending	178	—	178	—	(178)	—
Total return swaps	129	(82)	47	—	(47)	—
Swaptions	10	(10)	—	—	—	—
Variance Swaps	4	—	4	—	—	4
Total financial instruments	$ 8,085	$ (7,562)	$ 523	$ —	$ (240)	$ 283

Instrument Type	(i) Gross Amounts of Recognized Liabilities	(ii) Gross Amounts Offset in the Statement of Net Assets Available for Benefits	(iii) = (i) + (ii) Net Amounts of Liabilities Presented in the Statement of Net Assets Available for Benefits	(iv) Gross Amounts Not Offset in the Statement of Net Assets Available for Benefits		(v) = (iii) + (iv) Net Amount
				Financial Instruments	Cash Collateral Pledged	
Credit default swaps	$ 1	$ (1)	$ —	$ —	$ —	$ —
Forward contracts	5,426	(5,372)	54	—	(4)	50
Futures contracts	15	(1)	14	(4)	(5)	5
Interest rate swaps	117	(86)	31	(1)	(3)	27
Options	—	—	—	—	—	—
Repurchase agreements	9,278	(2,010)	7,268	—	(4)	7,264
Security lending	—	—	—	—	—	—
Total return swaps	261	(82)	179	—	(15)	164
Swaptions	18	(10)	8	—	(2)	6
Variance Swaps	—	—	—	—	—	—
Total financial instruments	$ 15,116	$ (7,562)	$ 7,554	$ (5)	$ (33)	$ 7,516

At December 31, 2022, the Master Trust held $74 million in collateral under derivative instruments and $178 million in collateral under securities lending agreements. The Master Trust pledged $52 million of collateral under derivative contracts at December 31, 2022.

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 2021 (in millions):

	(i)	(ii)	(iii) = (i) + (ii)	(iv)		(v) = (iii) + (iv)
				Gross Amounts Not Offset in the Statement of Net Assets Available for Benefits		
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	Financial Instruments	Cash Collateral Received	Net Amount
Credit default swaps	$ 17	$ —	$ 17	$ —	$ (4)	$ 13
Forward contracts	3,736	(3,699)	37	—	(1)	36
Futures contracts	46	(14)	32	—	—	32
Interest rate swaps	30	(30)	—	—	—	—
Repurchase agreements	2,580	—	2,580	(1,227)	—	1,353
Securities lending	224	—	224	—	(224)	—
Total return swaps	84	(22)	62	—	(29)	33
Swaptions	2	—	2	(2)	—	—
Total financial instruments	$ 6,719	$ (3,765)	$ 2,954	$ (1,229)	$ (258)	$ 1,467

	(i)	(ii)	(iii) = (i) + (ii)	(iv)		(v) = (iii) + (iv)
				Gross Amounts Not Offset in the Statement of Net Assets Available for Benefits		
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	Financial Instruments	Cash Collateral Pledged	Net Amount
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)	—	15,702
Security lending	—	—	—	—	—	—
Total return swaps	198	(22)	176	—	(6)	170
Swaptions	5	—	5	(2)	(3)	—
Total financial instruments	$ 20,897	$ (3,765)	$ 17,132	$ (1,229)	$ (31)	$ 15,872

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.

9. FEDERAL INCOME TAX STATUS

The Internal Revenue Service (IRS) has determined and informed the Company by a letter dated April 14, 2016, that the Plan and related trust were designed in accordance with the applicable regulations of the Internal Revenue Code (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, 2022, 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 2019.

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 investment management and associated trustee/custodian services incurred to the trustee were $0.6 million for each of the years ended December 31, 2022 and 2021.

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 Plan's statements of net assets available for benefits and changes in net assets available for benefits agree to the Form 5500 for the years ended December 31, 2022 and 2021.

12. SUBSEQUENT EVENTS

As of December 31, 2022, we had approximately 330,000 employees employed under a national master agreement and various supplemental agreements with local unions affiliated with the Teamsters. Some of these employees are covered by the Plan.

The agreements ran through July 31, 2023. On July 25, 2023, a tentative new collective bargaining agreement was reached with the Teamsters representing employees in our U.S. Domestic Small Package business unit. On August 22, 2023, the UPS Teamster-represented employees ratified this new agreement, which covers a five year period through July 31, 2028.

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SUPPLEMENTAL SCHEDULE

UPS PENSION PLAN

Employer ID No.: 95-1732075
Plan Number: 022

FORM 5500, SCHEDULE H, PART IV, LINE 4i—SCHEDULE OF ASSETS
(HELD AT END OF YEAR)
AS OF DECEMBER 31, 2022

(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	$ 353,568	$ 353,568
TOTAL INVESTMENTS HELD OUTSIDE OF MASTER TRUST		$ 353,568	$ 353,568

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26a

Schedule of Active Participant Data as of January 1,2022

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

	Attained Years of Credited Service[1]										
Attained Age	Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Over	Total
Under 25	1,312	16,068	979	1	0	0	0	0	0	0	18,360
25-29	884	14,115	4,469	227	0	0	0	0	0	0	19,695
30-34	568	10,269	5,387	2,452	432	0	0	0	0	1	19,109
35-39	424	8,725	4,806	2,935	2,406	388	0	0	0	0	19,684
40-44	361	8,007	4,967	2,238	2,037	1,463	118	0	0	0	19,191
45-49	284	6,876	6,392	2,489	1,506	1,135	748	32	0	1	19,463
50-54	250	6,925	7,995	3,160	1,721	1,127	702	418	20	1	22,319
55-59	178	5,133	4,446	2,250	1,817	1,205	538	309	157	15	16,048
60-64	71	2,264	2,114	1,235	1,333	1,072	459	189	102	202	9,041
65-69	28	525	410	299	443	418	154	49	27	84	2,437
70 & over	15	127	61	84	150	147	55	18	7	34	698
Total	4,375	79,034	42,026	17,370	1,845	6,955	2,774	1,015	313	338	166,045

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

Plan Name: UPS Pension Plan
EIN / PN: 95-1732075/022
Plan Sponsor: United Parcel Service Of America, Inc.
Valuation Date: January 1,2022

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V
Statement of Actuarial Assumptions/Methods

Actuarial Assumptions and Methods - Contributions

Economic Assumptions

Interest rate basis:		
Applicable month		September 2021
Yield curve basis		3-segment rates
	Reflecting	Not Reflecting
Interest rates:	Corridors	Corridors
First segment rate	4.75%	1.07%
Second segment rate	5.18%	2.68%
Third segment rate	5.92%	3.36%
Effective interest rate	5.61%	3.13%
Annual rates of increase		
Compensation:		N/A
Statutory limits on compensation		N/A

Demographic Assumptions

Healthy Mortality – non-annuitants	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-2020.
Healthy Mortality – annuitants	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 specified in the regulations under §1.430(h)(3)-1 using Scale MP-2020.

SCHEDULE SB ATTACHMENTS

Termination

Rates varying by age, service and employment type

Sample rates

Part-Time Teamsters
Years of Service

Age	<1	1	2	3	4	5+
25	35.00%	29.00%	20.00%	18.00%	14.00%	10.00%
40	33.00%	20.00%	15.00%	11.00%	8.00%	4.00%
55	20.00%	16.00%	11.00%	8.00%	6.00%	6.00%

Freight
Years of Service

Age	<1	1	2	3	4	5+
25	50.00%	30.00%	21.00%	13.00%	12.00%	7.00%
40	40.00%	24.00%	13.50%	8.00%	5.00%	2.75%
55	40.00%	22.00%	10.00%	5.00%	5.00%	4.00%

All Others
Years of Service

Service	Rate
0	11.00%
1	11.00%
2	8.00%
3	6.00%
4	5.00%
5	3.50%
6	3.00%
7	2.75%
8	2.50%
9	2.25%
10-11	2.00%
12-15	1.50%
16-24	1.00%
≥ 25	0.00%

Transfers without reciprocity agreements are assumed to terminate immediately and receive their benefits at normal retirement.

SCHEDULE SB ATTACHMENTS

Transfer

The following rates were assumed for part-time Teamsters as the rate of transfer to a position within UPS, which does not provide for active participation in this plan. If the assumed transfer occurred when the employee had 3 years of service, the employee was assumed to stay until vested. If the assumed transfer occurred before the employee had earned 3 years of service, it was assumed the employee would not stay to become vested.

Representative Transfer Rates

Part-Time Teamsters

Age	*Male*	*Female*
25	8.00%	12.50%
40	4.00%	6.50%
55	2.00%	2.50%

Disability incidence

None assumed

Disability mortality

Not applicable

Retirement

Representative Retirement Rates

Rates varying by age and service:

Part-Time Teamsters and other non-Freight

Age	*< 25 yrs of svc*	*≥ 25 yrs of svc*
50-54	2.00%	3.00%
55-58	2.50%	8.00%
59	3.00%	8.00%
60	3.50%	10.00%
61	3.50%	15.00%
62	8.00%	20.00%
63-64	8.00%	15.00%
65-66	20.00%	20.00%
67-69	15.00%	18.00%
≥70	100.00%	100.00%

SCHEDULE SB ATTACHMENTS

Freight

Age	*Rate*
55-56	7.00%
57-59	6.00%
60-61	12.00%
62-64	23.00%
65-69	25.00%
70≥	100.00%

Transfers

Age	*< 30 yrs of svc*	*≥ 30 yrs of svc*
50-54	2.00%	3.00%
55-57	5.00%	10.00%
58-59	7.00%	10.00%
60-61	7.00%	14.00%
62	15.00%	25.00%
63	12.00%	25.00%
64	10.00%	20.00%
65	23.00%	30.00%
66	20.00%	20.00%
67	20.00%	30.00%
68	15.00%	25.00%
69	15.00%	25.00%
≥70	100.00%	100.00%

Benefit service	Part-time employees are assumed to earn 0.75 years of benefit service per year based upon review of historical hours. All other part-time and full-time participants are assumed to accrue a full year of service each year.
Benefit commencement date for deferred vesteds	For all groups except Freight, active employees who terminate in the future and employees who are currently deferred vested are assumed to commence benefit payments at age 60 or current age if later. For Freight, age 61 or current age if later. Retroactive payments for deferred participants age 65 or older are assumed to be offset by payments owed to participants who will ultimately be determined as missing or deceased participants.
Benefit commencement date for actives who transfer in the future	Future transfers are assumed to commence benefit payments at age 62.

SCHEDULE SB ATTACHMENTS

Form of payment	100% of single participants elect a life annuity For all groups except Freight: 55% of married participants elect a life annuity and 45% of married participants elect a 50% joint and survivor annuity For Freight participants: 40% of married participants elect a life annuity and 60% of married participants elect a 50% joint and survivor annuity Actuarial Equivalence as defined by the UPS Retirement Plan is used to convert to optional forms of payment (when applicable).
Percent married	80%
Spouse age	Wife two years younger than husband
Plan compensation	Estimated plan compensation for upcoming year: ▶ For 2013 Grandfathered Freight participants, prior year actual plan compensation, increased by 2.00% ▶ For all other participants, not applicable
Administrative expenses	$66,000,000
Reciprocity load for Teamsters	Benefits attributable to reciprocity for current transfers are valued explicitly. For active participants assumed to transfer out at a future date, a load is applied to their liability based on participants assumed to be eligible for reciprocity (i.e. those that transfer to the IBT plan or a multi-employer plan recognizing reciprocity agreements).

Assumptions Rationale - Significant Economic Assumptions

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).
Rates of increase in compensation	For 2013 Grandfathered Freight participants, annual compensation increase assumptions are linked to increases negotiated in the current collective bargaining agreements. This is an annual increase of 2.0%.

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 2020 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 2020. Annual consideration is given to whether any conditions have changed that would be expected to produce different results in the future.
Transfer	Future transfer rates for the UPS Pension Plan part-time teamster population were based on an experience study conducted in 2020.
Retirement	Retirement rates were based on an experience study conducted in 2020. Annual consideration is given to whether any conditions have changed that would be expected to produce different results in the future.
Form of payment and percent married	The combined percent married and form of payment assumptions were based on an experience study conducted in 2020.

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	Average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, adjusted for contributions, benefits, administrative expenses and expected earnings. The average asset value must be within 10% of fair value, including contributions receivable. The method of computing the actuarial value of assets complies with the rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets will be lower than the market value in some years and greater in other years. However, over the long term under PPA's smoothing rules, the method has a bias to produce an actuarial value of assets that is below the market value of assets.

SCHEDULE SB ATTACHMENTS

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 required to be valued that were not.

Change in Methods and Assumptions Since Prior Year

The segment 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.

The assumed administrative expenses were changed from $36,000,000 in 2021 to $66,000,000 in 2022.

Data Sources

Willis Towers Watson used asset data supplied by UPS. UPS furnished participant data as of January 1, 2022. 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 2022 Pension Plan Questions Responses received on June 1, 2022. 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.

SCHEDULE SB ATTACHMENTS

Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	United Parcel Service Of America, Inc.
EIN/PN	95-1732075/022
Plan Name	UPS Pension Plan
Valuation Date	January 1,2022
Enrolled Actuary	Chelsea RM Swirsky
Enrollment Number	23-08200

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

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).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2022

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022

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 PENSION PLAN

1b Three-digit plan number (PN) ▶ 022

1c Effective date of plan 01/01/1973

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

2b Employer Identification Number (EIN) 95-1732075

2c Plan Sponsor's telephone number 404-828-8517

2d Business code (see instructions) 533110

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	Quantis Hall	Oct 5, 2023	Quantis Hall
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE		10/12/2023	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

3a Plan administrator's name and address [X] 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**	226,093
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)**	151,682
a(2) Total number of active participants at the end of the plan year	**6a(2)**	153,217
b Retired or separated participants receiving benefits	**6b**	29,712
c Other retired or separated participants entitled to future benefits	**6c**	48,333
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**.	**6d**	231,262
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	3,122
f Total. Add lines **6d** and **6e**.	**6f**	234,384
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	0
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	13,561
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 1D

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)		**9b** Plan benefit arrangement (check all that apply)	
(1)	[ ] Insurance	**(1)**	[ ] Insurance
(2)	[ ] Code section 412(e)(3) insurance contracts	**(2)**	[ ] Code section 412(e)(3) insurance contracts
(3)	[X] Trust	**(3)**	[X] Trust
(4)	[ ] General assets of the sponsor	**(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)	[X]	**R** (Retirement Plan Information)
(2)	[ ]	**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)	[X]	**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	[X]	**H** (Financial Information)
(2)	[ ]	**I** (Financial Information – Small Plan)
(3)	[ ]	**A** (Insurance Information)
(4)	[X]	**C** (Service Provider Information)
(5)	[X]	**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 2022 Form M-1 annual report. If the plan was not required to file the 2022 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

2022

This Form is Open to Public Inspection

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022

▶ **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
UPS PENSION PLAN

B Three-digit plan number (PN) ▶ 022

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
UNITED PARCEL SERVICE OF AMERICA, INC.

D Employer Identification Number (EIN)
95-1732075

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2022

2 Assets:

a Market value	**2a**	12,744,401,395
b Actuarial value	**2b**	12,035,268,743

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	27,079	2,605,402,373	2,605,402,373
b For terminated vested participants	46,222	1,928,055,802	1,928,055,802
c For active participants	166,045	4,254,351,284	4,578,416,951
d Total	239,346	8,787,809,459	9,111,875,126

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**	5.61%
6 Target normal cost		
a Present value of current plan year accruals	**6a**	182,987,079
b Expected plan-related expenses	**6b**	66,000,000
c Total (line 6a + line 6b)	**6c**	248,987,079

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

Chelsea RM Swirsky CS
Signature of actuary

10/10/2023
Date

Chelsea RM Swirsky
Type or print name of actuary

2308200
Most recent enrollment number

Willis Towers Watson US LLC
Firm name

404-224-5000
Telephone number (including area code)

Five Concourse Parkway
Suite 1800
Atlanta GA 30328
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 [ ]

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	2,623,051,275
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	311,618,388
9	Amount remaining (line 7 minus line 8)	0	2,311,432,887
10	Interest on line 9 using prior year's actual return of 13.71 %	0	316,897,449
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		349,070,595
	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 5.79 %		2,216,751
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		42,608,588
	c Total available at beginning of current plan year to add to prefunding balance		393,895,934
	d Portion of (c) to be added to prefunding balance		393,895,934
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	3,022,226,270

Part III Funding Percentages

14	Funding target attainment percentage	14	98.91 %
15	Adjusted funding target attainment percentage	15	132.08 %
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	94.05 %
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
03/15/2023	370,000,000	0			
		Totals ► 18(b)	370,000,000	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	346,436,768

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? [X] Yes [ ] No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? [X] 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:	2nd segment:	3rd segment:	
4.75 %	5.18 %	5.92 %	☐ N/A, full yield curve used

b Applicable month (enter code)	**21b**	4
22 Weighted average retirement age	**22**	61

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 Demographic and benefit information

a Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment ☒ Yes ☐ No

b Is the plan required to provide a projection of expected benefit payments? 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**	248,987,079
b Excess assets, if applicable, but not greater than line 31a	**31b**	0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	98,832,653	15,843,417
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**	264,830,496

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	243,643,454	243,643,454

36 Additional cash requirement (line 34 minus line 35)	**36**	21,187,042
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	346,436,768
38 Present value of excess contributions for current year (see instructions)		
a Total (excess, if any, of line 37 over line 36)	**38a**	325,249,726
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	243,643,454
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 the American Rescue Plan Act of 2021 (See Instructions)

41 If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies. ☒ 2019 ☐ 2020 ☐ 2021

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 22
Description of Weighted Average Retirement Age
as of January 1,2022

Sample Calculation of Retirement Age For Part-Time Teamster Employees with less than 25 years of Service

Retirement Age (1)	*Assumed Rate (2)*	*Participants At Beginning (3)*	*Participants Retiring: (2)x(3) (4)*	*(1)*(4) (5)*
50	0.0200	1,000.00	20.00	1,000.00
51	0.0200	980.00	19.60	999.60
52	0.0200	960.40	19.21	998.92
53	0.0200	941.19	18.82	997.46
54	0.0200	922.37	18.45	996.30
55	0.0250	903.92	22.60	1,243.00
56	0.0250	881.32	22.03	1,233.68
57	0.0250	859.29	21.48	1,224.36
58	0.0250	837.81	20.95	1,215.10
59	0.0300	816.86	24.51	1,446.09
60	0.0350	792.35	27.73	1,663.80
61	0.0350	764.62	26.76	1,632.36
62	0.0800	737.86	59.03	3,659.86
63	0.0800	678.83	54.31	3,421.53
64	0.0800	624.52	49.96	3,197.44
65	0.2000	574.56	114.91	7,469.15
66	0.2000	459.65	91.93	6,067.38
67	0.1500	367.72	55.16	3,695.72
68	0.1500	312.56	46.88	3,187.84
69	0.1500	265.68	39.85	2,749.65
70	1.0000	225.83	225.83	15,808.10
			1,000.00	63,907.34

63,907.34 / 1,000 = 64

Plan Name: UPS Pension Plan
EIN / PN: 95-1732075/022
Plan Sponsor: United Parcel Service Of America, Inc.
Valuation Date: January 1,2022

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 22
Description of Weighted Average Retirement Age
as of January 1,2022

Sample Calculation of Retirement Age For Part-Time Teamster Employees with 25 or more years of Service

Retirement Age (1)	*Assumed Rate (2)*	*Participants At Beginning (3)*	*Participants Retiring: (2)x(3) (4)*	*(1)*(4) (5)*
50	0.0300	1,000.00	30.00	1,500.00
51	0.0300	970.00	29.10	1,484.10
52	0.0300	940.90	28.23	1,467.96
53	0.0300	912.67	27.38	1,451.14
54	0.0300	885.29	26.56	1,434.24
55	0.0800	858.73	68.70	3,778.50
56	0.0800	790.03	63.20	3,539.20
57	0.0800	726.83	58.15	3,314.55
58	0.0800	668.68	53.49	3,102.42
59	0.0800	615.19	49.22	2,903.98
60	0.1000	565.97	56.60	3,396.00
61	0.1500	509.37	76.41	4,661.01
62	0.2000	432.96	86.59	5,368.58
63	0.1500	346.37	51.96	3,273.48
64	0.1500	294.41	44.16	2,826.24
65	0.2000	250.25	50.05	3,253.25
66	0.2000	200.20	40.04	2,642.64
67	0.1800	160.16	28.83	1,931.61
68	0.1800	131.33	23.64	1,607.52
69	0.1800	107.69	19.38	1,337.22
70	1.0000	88.31	88.31	6,181.70
			1,000.00	60,455.34

60,455.34 / 1,000 = 60

Plan Name: UPS Pension Plan
EIN / PN: 95-1732075/022
Plan Sponsor: United Parcel Service Of America, Inc.
Valuation Date: January 1,2022

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 22
Description of Weighted Average Retirement Age
as of January 1,2022

Sample Calculation for Freight Employees

Retirement Age (1)	*Assumed Rate (2)*	*Participants At Beginning (3)*	*Participants Retiring: (2)x(3) (4)*	*(1)*(4) (5)*
55	0.0700	1,000.00	70.00	3,850.00
56	0.0700	930.00	65.10	3,645.60
57	0.0600	864.90	51.89	2,957.73
58	0.0600	813.01	48.78	2,829.24
59	0.0600	764.23	45.85	2,705.15
60	0.1200	718.38	86.21	5,172.60
61	0.1200	632.17	75.86	4,627.46
62	0.2300	556.31	127.95	7,932.90
63	0.2300	428.36	98.52	6,206.76
64	0.2300	329.84	75.86	4,855.04
65	0.2500	253.98	63.50	4,127.50
66	0.2500	190.48	47.62	3,142.92
67	0.2500	142.86	35.72	2,393.24
68	0.2500	107.14	26.79	1,821.72
69	0.2500	80.35	20.09	1,386.21
70	1.0000	60.26	60.26	4,218.20
			1,000.00	61,872.27

61,872.27 / 1,000 = 62

Assumed retirement age is age 65 for other employees with less than 30 years of service.
Upon reaching 30 years of service, retirement incidence is 25% per year until Normal Retirement Date.
The weighting for the average retirement age is based on head count.

Total Population Weighted Average Retirement Age: 61

Plan Name: UPS Pension Plan
EIN / PN: 95-1732075/022
Plan Sponsor: United Parcel Service Of America, Inc.
Valuation Date: January 1,2022

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V
Summary of Plan Provisions

1. Applicable to Non-Freight participants

Plan Provisions	
Covered Employees	All employees who have attained age 21 and who have worked at least 375 hours (1,000 for employees of UPS Aviation Technologies (IIMorrow) and St. Thomas) during a calendar year and further provided that they are covered by a collective bargaining agreement which provides for coverage under the UPS Pension Plan.
Participation Date	All predecessor Plan participants on December 31, 1975 who are employees on January 1, 1976 became plan participants on January 1, 1976. Cartage Services employees who were participants in the Menlo Worldwide Forwarding, Inc. Hourly Employees' Pension Plan became eligible to participate in the UPS Pension Plan on December 19, 2004. All other employees become eligible to participate on the January 1 or July 1 immediately following attainment of age 21 and completion of a 12-month period of employment during which 375 hours of service (1,000 hours for employees of UPS Aviation Technologies (IIMorrow) and St. Thomas) are completed.

Definitions	
Vesting service	One year for each calendar year in which an employee completes 375 hours of service (1,000 hours for employees of UPS Aviation Technologies (IIMorrow) and St. Thomas).
Benefit service	One year for each calendar year in which an employee completes at least 1,500 hours of service (1,800 hours for employees of UPS Aviation Technologies (IIMorrow), St. Thomas, and Cartage Services). Part-time Teamsters actively employed on or after August 1, 1999 receive one year for each calendar year with 750 hours (including years before August 1, 1999) with partial credit for fewer hours. The 2002 Teamsters contract extended the 750 hour rule to former part-time Teamsters who are currently working for UPS and have transferred to a Teamster multi-employer plan.
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. For full-time members of Detroit Local 243 (hired prior to October 23, 1997) and Local 698, attainment of age 60 with five years of vesting service or participation. (If a participant prior to

SCHEDULE SB ATTACHMENTS

January 1, 1989, first of the month coinciding with or next following the attainment of age 60.)

Actuarial Equivalence: 6% and 1983 Group Annuity Mortality (GAM): Male table for participants; Female table for beneficiaries

Pension benefit: **Maximum of (1) and (2)**

(1) Regular pension benefit is the amount shown in table below, reduced proportionately for service less than maximum service years.

Employee Group	*Maximum Service*	*Monthly Benefit for Maximum Service*
Part-time Teamsters (effective 8/1/08 for those active on or after 8/1/02)	35	$2,275
UPS Aviation Technologies (IIMorrow) non-exempt (frozen effective 12/31/00)	25	1,100
Detroit Local 243 (full-time clerical)	25	3,000
Detroit Local 698 (full-time)	35	3,850
Detroit Local 698 (part-time)	35	1,925
St. Thomas	25	775
Ohio Local 98 (part-time)	25	1,600
Ohio Local 98 (full-time)	25	2,200
Ohio Rider (full-time)	25	2,250
Louisville Local 2727 (part-time)	35	1,925
Puerto Rico Local 901 (full-time)	30	2,300
Challenge Air	35	2,275
Local 89 (six-hour employees)	35	3,045
Dispatchers Local 545 ($4,725 maximum if date of birth before 1/1/1958)	35	4,025
Cartage Services (CSI/Menlo)	None	$110 times Benefit Service

Effective January 1, 2008, Puerto Rico full-time transferred to the IBT plan, freezing the monthly benefit accrued as of January 1, 2008 in the UPS Pension Plan.

With respect to each Part-time Teamster who was active on or after August 1, 2002 who accrued at least one hour of service on or after August 1, 2008, the monthly benefit is $55 multiplied by

years of service credit completed prior to January 1, 2008 plus $60 multiplied by years of service credit completed after January 1, 2008, subject to a maximum of 35 years.
With respect to each Local 89 six-hour employee who was active on or after August 1, 2002 who accrued at least one hour of service on or after August 1, 2008, the monthly benefit is $80 multiplied by years of service credit completed prior to January 1, 2008 plus $87 multiplied by years of service credit completed after January 1, 2008, subject to a maximum of 35 years.

With respect to each Challenge Air employee who was active on or after January 1, 2014 who accrued at least one hour of service on or after January 1, 2011, the monthly benefit is $50 multiplied by years of service credit completed prior to January 1, 2014 plus $65 multiplied by years of service credit completed after January 1, 2014, subject to a maximum of 35 years.

With respect to each Local 698 (full-time) employee who was active on or after January 1, 2015 who accrued at least one hour of service on or after January 1, 2004, the monthly benefit is $100 multiplied by years of service credit completed prior to January 1, 2015 plus $110 multiplied by years of service credit completed after January 1, 2015, subject to a maximum of 35 years.

With respect to each Local 698 (part-time) employee who was active on or after January 1, 2015 who accrued at least one hour of service on or after January 1, 2004, the monthly benefit is $50 multiplied by years of service credit completed prior to January 1, 2015 plus $55 multiplied by years of service credit completed after January 1, 2015, subject to a maximum of 35 years.

(2) Service pension benefit is the amount shown in table below, and is only available after completing 30 years of service.

Employee Group	30-Year Monthly Benefit
Part-time Teamsters	$1,950
UPS Aviation Technologies (IIMorrow) non-exempt (frozen effective 12/31/00)	826
Detroit Local 243 (full-time clerical)	2,250
Detroit Local 698 (full-time)	2,000
Detroit Local 698 (part-time)	1,000
St. Thomas	580
Ohio Local 98 (full-time)	1,500
Ohio Local 98 (part-time)	1,125
Ohio Rider (full-time)	2,250

SCHEDULE SB ATTACHMENTS

Louisville Local 2727 (part-time)	N/A
Puerto Rico Local 901 (full-time)	2,300
Challenge Air	1,650
Local 89 (six-hour employees)	2,400
Dispatchers Local 545 ($4,050 if date of birth before 1/1/1958)	3,450
Cartage Services (CSI/Menlo)	N/A

Effective January 1, 2008, Puerto Rico Local 901 transferred to the IBT plan, freezing the monthly benefit accrued as of January 1, 2008 in the UPS Pension Plan. Based on service through the date of the transfer, Puerto Rico Local 901 could receive at any age $1,800 per month with 25 years of service.

A part-time Teamster participant at any age with 35 years of service may receive $2,275 per month, 30 years of service may receive $1,950 per month, $1,625 per month at age 60 with 25 years, or $1,325 per month with 25 years at any age.

Louisville Local 2727 will not have a service benefit.

Detroit Local 698 is eligible for unreduced benefits after reaching 30 years of service and age 55. Full-time participants will receive $100 times years of service (maximum of 35). Part-time participants will receive $50 times years of service (maximum of 35).

A Local 89 participant at any age with 35 years of service may receive $2,800 per month, $2,400 per month at age 60 with 25 years, or $2,000 per month with 25 years at any age.

Challenge Air may receive at any age $1,925 per month with 35 years of service, $1,375 per month at age 60 with 25 years of service and $1,125 per month with 25 years of service at any age.

Eligibility for Benefits

Normal retirement	Retirement on NRD
Service retirement	Service benefits are available after completing years of benefit service required for special pension. When reciprocity agreements exist, a prorated service benefit may also become available for Teamsters if their total benefit service in all Teamsters plans in which UPS participates is enough to meet the service requirements for these special benefits.
Early retirement	For Ohio Rider, Dispatchers Local 545 and Cartage Services: attainment of age 55 and completion of at least 10 years of vesting service.

SCHEDULE SB ATTACHMENTS

	For all other groups: attainment of age 50 and completion of 10 years of vesting service but not later than NRD.
Postponed retirement	Retire after NRD
Disability retirement	Completion of 10 or more years of vesting service and total and permanent disability
Terminated deferred	Terminate for reasons other than death, retirement or disability after completing five years of vesting service. This includes participants who remain active with UPS, transfer to a different UPS-sponsored plan, and terminate after completing five years of vesting service.
Reciprocity	For Teamster participants who transfer from the Pension Plan to another Teamster plan in which UPS participates, the benefit service earned in the new plan will be counted towards eligibility for the service retirement benefits offered by the Pension Plan.
Preretirement spouse benefit	Die while a member of the plan, married, vested or after retirement or vested termination date but before benefit commencement
Lump sum death	Die while a member of the plan, vested, and no preretirement spouse coverage

SCHEDULE SB ATTACHMENTS

Benefits Paid Upon the Following Events	
Normal retirement	Pension benefit determined as of NRD
Early retirement	Regular pension benefit is reduced 6% annually (5% for Metro Detroit Local 243) for each month that retirement precedes Normal Retirement Date with the following exceptions: Detroit Local 698 (full-time and part-time) benefits are reduced 5% annually for each month that retirement precedes age 57. Ohio Rider benefits are reduced 3% per year that retirement precedes normal retirement date, but there is no reduction after reaching 25 years of service. Local 545 Dispatchers benefits are reduced 3% annually for each month that retirement precedes Normal Retirement Date. Cartage Services Local 344 benefits are reduced 9% per year for the first three years that retirement precedes age 65, and then 5% for each additional year. Cartage Services benefits for participants in other locals are unreduced at age 62, with reductions varying by age for ages earlier than 62.
Service retirement	The service pension benefit determined under formula (2) is unreduced.
Postponed retirement	Pension benefit determined as of actual retirement date
Transfer with a deferred benefit	Pension benefit determined as of actual termination date based on service in the Pension Plan. Accrued benefit is payable at NRD. If a Teamster is eligible for reciprocity, he will be eligible to immediately receive an amount equal to the greater of his accrued pension benefit (reduced for early retirement, if applicable) or the product of a) and b): a) the unreduced service benefit offered by the Pension Plan, b) ratio of the benefit service accrued in the Pension Plan to the total service required to receive that service benefit
Disability retirement	Greater of early retirement benefit (if eligible) or accrued benefit that would be payable at age 60, based on service up to 20 years, payable after 6 months of disability.
Termination with deferred vested benefit	Pension benefit determined as of termination date, reduced as for early retirement if paid before NRD
Death with preretirement spouse benefits	Preretirement spouse benefit is payable
Death with lump sum benefits	Lump sum benefit of $100 times Benefit Service is payable

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. Lump sum if present value is less than $5,000. Optional foms: ▸ 10-year certain and continuous annuity ▸ 75% joint and survivor annuity ▸ 100% joint and survivor annuity Life annuity if married
Maximum on benefits	All benefits for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective.

Changes in Benefits Valued Since Prior Year

None

SCHEDULE SB ATTACHMENTS

2. Applicable to Freight participants (UEPLAN)

Plan Provisions	
Covered Employees	Employees of UPS Ground Freight, Inc. covered by the UPS Freight Agreement Covering Over-The-Road and Local Cartage Operations.
Participation Date	The later of: (1) 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; and (2) The date that his or her group (i.e. service center or local) was recognized by the Employer as covered by the UPS Freight Agreement Covering Over-The-Road and Local Cartage Operations.

Definitions	
Vesting service	Vesting service is one year for each calendar year in which an employee completes 750 hours. Freight participants separated from employment with UPS effective April 30, 2021 as a result of the divestiture of the Freight business to TFI International Inc. Participants actively accruing service on April 30, 2021 continue to earn vesting service and subsidy service while employed with TFI International Inc.
Benefit service	One year for each calendar year in which an employee completes at least 1,500 hours of service with partial credit for fewer hours (including service provided for in the UPS Retirement Plan). Freight participants terminated from employment with UPS and ceased accruing benefit service effective April 30, 2021.
Grandfathered Overnite Participant	A participant in the Overnite Retirement Plan on December 31, 2005
2013 Grandfathered Freight Participant	A Freight participant in the UPS Pension Plan with Final Average Compensation as of December 31, 2013 of at least $73,000
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 including the value of management incentive awards granted by the UPS Incentive Compensation Plan (even if not vested), limited as required by Section 401(a)(17) of the Internal Revenue Code
Final Average Compensation	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.

SCHEDULE SB ATTACHMENTS

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 and an optional form factor determined by an interest rate of 7% and the UP 1984 Unisex Pension Mortality Table.
Pension benefit	*(A) + (B) where:* (A) equals 1.725% of Final Average Compensation as of December 31, 2013 multiplied by benefit service as of December 31, 2013 up to 30 years (B) equals $105 per month per year of benefit service from January 1, 2014 to December 31, 2018, $110 per month per year of benefit service from January 1, 2019 to December 31, 2020, and $115 per month per year of benefit service after January 1, 2021 *For 2013 Grandfathered Freight Participants:* The greater of the sum of the benefits described above and 1.725% of Final Average Compensation multiplied by benefit service up to 30 years. Final Average Compensation and benefit service calculated as of date of separation from UPS.
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	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, $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. 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.

SCHEDULE SB ATTACHMENTS

	For disabilities occurring after eligibility for early or normal retirement after July 1, 2006, the benefit payable is the early or normal retirement benefit as applicable.
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
Terminated deferred	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	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. If participant has 30 years of benefit service at date of early retirement, pension benefit is unreduced. 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.
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 is the same as early retirement benefit.
Death with preretirement spouse benefits	Preretirement spouse benefit is payable to eligible surviving spouse.

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. Lump sum if present value is less than $5,000. Optional forms: ► 50% joint and survivor annuity (non-spouse beneficiary) ► 75% joint and survivor annuity ► 100% joint and survivor annuity ► Social Security level Income at age 62 or age 65 (Only available to Grandfathered Overnite Participants) Disabled retirees prior to July 1, 2006 are not eligible for the 100% joint and survivor annuity or the Social Security level income options.
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.

Changes in Benefits Valued Since Prior Year

Freight participants separated from employment with UPS effective April 30, 2021 as a result of the divestiture of the Freight business to TFI International Inc. Participants actively accruing service on April 30, 2021 continue to earn Vesting Service and Subsidy Service while employed with TFI International Inc.

SCHEDULE SB ATTACHMENTS

3. Applicable to Grandfathered Motor Cargo participants (UBPLAN)

Plan Provisions

Covered Employees	All prior employees of Motor Cargo covered by a collective bargaining agreement, except: ▪ Any leased employee ▪ Any "reclassified" employee (independent contractors and outsourced employees) Motor Cargo Distribution Services has not adopted the plan.
Participation Date	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.

Definitions

Vesting service	For service on and after January 1, 2008, vesting service is calculated as described for non-Freight participants. Service prior to January 1, 2008 is calculated in accordance with the prior plan. Grandfathered Motor Cargo participants separated from employment with UPS effective April 30, 2021 as a result of the divestiture of the Freight business to TFI International Inc. Participants actively accruing service on April 30, 2021 continue to earn vesting service and subsidy service while employed with TFI International Inc.
Benefit service	For service on and after January 1, 2008, benefit service is calculated as described for non-Freight participants. Service prior to January 1, 2008 is calculated in accordance with the prior plan. Benefit service as of December 31, 2013 is subject to an overall maximum of 30 years. However, if a participant reaches 30 years in total including service with Motor Cargo and service as a UPS employee prior to December 31, 2013, additional years of service as a UPS employee prior to 2014 will replace years of service earned as a Motor Cargo employee. Grandfathered Motor Cargo participants terminated from employment with UPS and ceased accruing benefit service effective April 30, 2021.
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 including the value of management incentive awards granted by the UPS Incentive Compensation Plan, limited as required by Section 401(a)(17) of the Internal Revenue Code.

SCHEDULE SB ATTACHMENTS

Final Average Compensation	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 Motor Cargo Participant	A participant in the Motor Cargo Pension Plan on December 31, 2005.
2013 Grandfathered Freight participant	A union Freight participant in the UPS Pension Plan with Final Average Compensation as of December 31, 2013 of at least $73,000.
Normal Retirement Date (NRD)	For a Grandfathered Motor Cargo Participant, first of month coinciding with or next following the attainment of age 65. 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.
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 and an optional form factor determined by an interest rate of 8% and the UP 1984 Unisex Pension Mortality Table.
Pension benefit	Sum of (1), (2), (3), (4) and (5): (1) Accrued benefit as of December 31, 1988; (2) For service after 1988 and before 2006: Monthly amount per year of benefit service, based

Hours of service in a plan year	Monthly Benefit
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

(3) For service after 2005 and before 2008: $20 per month per year of benefit service.

(4) 1.725% of Final Average Compensation as of December 31, 2013 multiplied by benefit service earned after 2007 as of December 31, 2013.

Total benefit service for the sum of (1), (2), (3) and (4) is limited to 30 years, as described above in benefit service.

	(5) $105 per month per year of benefit service from January 1, 2014 to December 31, 2018, $110 per month per year of benefit service from January 1, 2019 to December 31, 2020, and $115 per month per year of benefit service after January 1, 2021 *For 2013 Grandfathered Freight Participants:* The greater of the sum of the benefits described above and the sum of (1), (2), (3) and (4) including benefit service and Compensation after 2013.
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
Disability benefit	For participants who become disabled before eligibility for early or normal retirement but on or before December 31, 2007, disability benefit is 55% of the vested accrued benefit. For participants who become disabled before eligibility for early or normal retirement but after January 1, 2008, $9.60 per month times benefit service completed prior to disability up to 30 years, payable until the participant's early retirement date at which time the participant receives an early retirement benefit. For disabilities occurring after eligibility for early or normal retirement after January 1, 2008, 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
Terminated deferred	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

SCHEDULE SB ATTACHMENTS

Benefits Paid Upon the Following Events

Normal retirement	Monthly pension benefit determined as of NRD
Early retirement	Pension benefit for formulas (1), (2) and (3) is reduced by 0.375% (4.5% annually) for each month that retirement precedes age 65. Pension benefit for formulas (4) and (5) is reduced as follows: ▪ 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), (2) and (3) reduced by 0.375% (4.5% annually) for each month that retirement precedes age 65. Pension benefit for formulas (4) and (5) is reduced by as defined above for early retirement.
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: ► 5-year certain and continuous annuity ► 10-year certain and continuous annuity

	► 50% joint and survivor annuity (non-spouse beneficiary) ► 75% joint and survivor annuity ► 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.

Changes in Benefits Valued Since Prior Year

Grandfathered Motor Cargo participants separated from employment with UPS effective April 30, 2021 as a result of the divestiture of the Freight business to TFI International Inc. Participants actively accruing service on April 30, 2021 continue to earn Vesting Service and Subsidy Service while employed with TFI International Inc.

UPS PENSION PLAN

Employer ID N.o: 95-1732075
Plan Number: 022

FORM 5500, SCHEDULE H, PART IV, LINE 4i—SCHEDULE OF ASSETS
(HELD AT END OF YEAR)
AS OF DECEMBER 31, 2022

(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	$ 353,568	$ 353,568
TOTAL INVESTMENTS HELD OUTSIDE OF MASTER TRUST		$ 353,568	$ 353,568

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 32
Schedule of Amortization Bases
as of January 1,2022

Type of Base	Date Established	Initial Amount	Remaining Amortization Period (Years)	Outstanding Balance	Amortization Payment
1 Shortfall	01/01/2022	(374,679,643)	15.00000	(374,679,643)	(34,624,689)
2 Shortfall	01/01/2021	71,067,510	14.00000	68,438,332	6,626,446
3 Shortfall	01/01/2020	(20,915,834)	13.00000	(19,262,935)	(1,963,718)
4 Shortfall	01/01/2019	495,419,061	12.00000	424,336,899	45,805,378
Total				98,832,653	15,843,417

Plan Name: UPS Pension Plan
EIN / PN: 95-1732075/022
Plan Sponsor: United Parcel Service Of America, Inc.
Valuation Date: January 1,2022

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 $36,000,000 in 2021 to $66,000,000 in 2022.

Plan Name:	UPS Pension Plan
EIN / PN:	95-1732075/022
Plan Sponsor:	United Parcel Service Of America, Inc.
Valuation Date:	January 1,2022