UPS[®] Peak/Demand Surcharges

May 22, 2022 Update

UPS continues to provide essential service amid the ongoing coronavirus outbreak to support the needs of our customers. Our goal is to ensure businesses and customers are able to meet their shipping needs while demand has increased for shipping services.

UPS Peak/Demand Surcharges¹

One or more Peak/Demand Surcharges will apply to packages shipped during the specified Peak/Demand Periods for the origins, destinations, and service levels and in the amounts set forth below. Peak/Demand Surcharges apply in addition to all other applicable Charges.

Peak/Demand Surcharges are subject to change and Peak/Demand Periods may be extended or otherwise changed. Shippers should continue to check ups.com/peak surcharge for updates prior to tendering shipments.

A. Peak/Demand Surcharge – Applied to shipments from China Mainland, Hong Kong SAR or Macau SAR to the U.S.²

A Peak/Demand Surcharge will apply to shipments originating from China Mainland, Hong Kong SAR or Macau SAR to the U.S. until further notice for the Service Levels and Peak/Demand Periods set forth below.

The Peak/Demand Surcharge for shipments to the U.S. will be applied as a rate per pound based upon the billable weight of the shipment.

Service Levels	January 30 until April 30, 2022	May 1, 2022 until further notice
UPS Worldwide Express Plus®	\$1.25 per lb.	\$1.36 per lb.
UPS Worldwide Express®	\$1.25 per lb.	\$1.36 per lb.
UPS Worldwide Saver®	\$1.25 per lb.	\$1.36 per lb.
UPS Worldwide Expedited®	\$1.25 per lb.	\$1.36 per lb.
UPS Worldwide Express Freight®	\$1.93 per lb.	\$2.04 per lb.
UPS Worldwide Express Freight® Midday	\$1.93 per lb.	\$2.04 per lb.

Peak/Demand Period (inclusive of starting and ending dates) and Applicable Peak/Demand Surcharge (\$/lb)

B. Peak/Demand Surcharge – Applied to shipments from Australia, New Zealand, or other Asia origins to the U.S.

A Peak/Demand Surcharge will apply to any shipment from Australia, New Zealand, Vietnam, Japan, Korea, Malaysia, Thailand, Indonesia, Singapore, Philippines, or Taiwan to the U.S. until further notice for the Service Levels and Peak/Demand Periods set forth below. The Peak/Demand Surcharge will be applied as a rate per pound based upon the billable weight of the shipment.

Peak/Demand Period (inclusive of starting and ending dates) and Applicable Peak/Demand Surcharge (\$/lb)

Service Levels	January 30 until April 30, 2022	May 1, 2022 until further notice
UPS Worldwide Express Plus®	\$0.45 per lb.	\$0.65 per lb.
UPS Worldwide Express®	\$0.45 per lb.	\$0.65 per lb.
UPS Worldwide Saver®	\$0.45 per lb.	\$0.65 per lb.
UPS Worldwide Expedited®	\$0.45 per lb.	\$0.65 per lb.
UPS Worldwide Express Freight®	\$1.13 per lb.	\$1.34 per lb.
UPS Worldwide Express Freight® Midday	\$1.13 per lb.	\$1.34 per lb.

1 The term Peak/Demand Surcharge includes Peak Surcharge, and the two terms are used interchangeably.

2 These Peak/Demand Surcharges apply to shipments originating from China Mainland, Hong Kong SAR, or Macau SAR to the U.S. that are paid for in the U.S. For shipments from China Mainland, Hong Kong SAR, or Macau SAR to destinations other than the U.S. or that are paid for outside the U.S., see the country's respective UPS website for detail on Peak/Demand Surcharges.

UPS[®] Peak/Demand Surcharges

C Peak/Demand Surcharge - Applied to shipments from the U.S. to Australia or New Zealand

A Peak/Demand Surcharge will apply to any shipment from the United States to Australia or New Zealand until further notice for the Service Levels and Peak/Demand Periods set forth below. The Peak/Demand Surcharge will be applied as a rate per pound based upon the billable weight of the shipment.

Peak/Demand Period (inclusive of starting and ending dates) and Applicable Peak/Demand Surcharge (\$/lb)

Service Levels	March 20, 2022 until further notice
UPS Worldwide Express Plus®	\$0.75 per lb.
UPS Worldwide Express®	\$0.75 per lb.
UPS Worldwide Saver®	\$0.75 per lb.
UPS Worldwide Expedited®	\$0.75 per lb.
UPS Worldwide Express Freight®	\$1.50 per lb.
UPS Worldwide Express Freight® Midday	\$1.50 per lb.

D. Peak/Demand Surcharge - Applied to shipments from Europe origins to the U.S. or North America

A Peak/Demand Surcharge will apply to any shipment from Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Hungary, Ireland, Italy, Luxembourg, Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland, or United Kingdom to the U.S. or North America until further notice for the Service Levels and Peak/Demand Periods set forth below. The Peak/Demand Surcharge will be applied as a rate per pound based upon the billable weight of the shipment.

Peak/Demand Period (inclusive of starting and ending dates) and Applicable Peak/Demand Surcharge (\$/package)

Service Levels	February 20, 2022 until further notice
UPS Worldwide Express Plus®	\$0.19 per lb.
UPS Worldwide Express®	\$0.19 per lb.
UPS Worldwide Saver®	\$0.19 per lb.
UPS Worldwide Expedited®	\$0.19 per lb.
UPS Worldwide Express Freight®	\$0.91 per lb.
UPS Worldwide Express Freight® Midda	y \$0.91 per lb.

E. <u>Peak/Demand Surcharge – Applied to shipments from India to the U.S. or North America</u>

A Peak/Demand Surcharge will apply to any shipment from India to the U.S. or North America until further notice for the Service Levels and Peak/Demand Periods set forth below. The Peak/Demand Surcharge will be applied as a rate per pound based upon the billable weight of the shipment.

Peak/Demand Period (inclusive of starting and ending dates) and Applicable Peak/Demand Surcharge (\$/package)

Service Levels	January 30, 2022 until further notice
UPS Worldwide Express Plus®	\$0.34 per lb.
UPS Worldwide Express®	\$0.34 per lb.
UPS Worldwide Saver®	\$0.34 per lb.
UPS Worldwide Expedited®	\$0.34 per lb.
UPS Worldwide Express Freight®	\$0.57 per lb.
UPS Worldwide Express Freight® Midday	\$0.57 per lb.

F. <u>Peak/Demand Surcharge – Applied to UPS Standard shipments from Canada to the U.S. and UPS Trade Direct</u>[®] <u>shipments from the U.S. to Canada</u>

A Peak/Demand Surcharge will apply to all packages shipped UPS Standard to the U.S. and UPS Trade Direct[®] from the U.S. to Canada until further notice for the Service Levels and Peak/Demand Periods set forth below. The Peak/Demand Surcharge will be applied as a rate per package.

Peak/Demand Period (inclusive of starting and ending dates) and Applicable Peak/Demand Surcharge (\$/package)

Service Levels	January 16, 2022 until further notice
UPS [®] Standard to the U.S.	\$0.30 per package
UPS Trade Direct® from the U.S. to Canada	a \$0.42 Canadian Dollars (CAD) per package

G. <u>Peak/Demand Surcharge – Applied to international shipments from Mexico to all destinations (except Australia and New Zealand)</u>

A Peak/Demand Surcharge will apply to any international shipment from Mexico to all destinations, except shipments to Australia and New Zealand, until further notice for the Service Levels and Peak/Demand Periods set forth below. The Peak/Demand Surcharge will be applied as a rate per pound based upon the billable weight of the shipment.

Peak/Demand Period (inclusive of starting and ending dates) and Applicable Peak/Demand Surcharge (\$/package)

Service Levels	May 22, 2022 until further notice
UPS Worldwide Express Plus®	\$0.09 per lb.
UPS Worldwide Express®	\$0.09 per lb.
UPS Worldwide Saver®	\$0.09 per lb.
UPS Worldwide Expedited®	\$0.09 per lb.
UPS Worldwide Express Freight®	\$0.23 per lb.
UPS Worldwide Express Freight® Midday	\$0.23 per lb.

H. Peak/Demand Surcharge - Applied to international shipments from the U.S. to Canada

A Peak/Demand Surcharge will apply to all packages shipped from the U.S. to Canada until further notice, for the Service Levels and Peak/Demand Periods set forth below. The Peak/Demand Surcharge will be applied as a rate per pound based upon the billable weight of the shipment, excluding UPS Standard. The Peak/Demand Surcharge for UPS Standard to Canada will be applied as a rate per package.

Peak/Demand Period (inclusive of starting and ending dates) and Applicable Peak/Demand Surcharge (\$/package)

Service Levels	December 26, 2021 until May 21, 2022	May 22, 2022 until further notice
UPS Worldwide Express Plus®	\$0.05 per lb.	\$0.15 per lb.
UPS Worldwide Express®	\$0.05 per lb.	\$0.15 per lb.
UPS Worldwide Saver®	\$0.05 per lb.	\$0.15 per lb.
UPS Worldwide Expedited®	\$0.05 per lb.	\$0.15 per lb.
UPS Worldwide Express Freight®	\$0.17 per lb.	\$0.35 per lb.
UPS Worldwide Express Freight® Midday	\$0.17 per lb.	\$0.35 per lb.
UPS® Standard to Canada	NA	\$0.30 per package

UPS[®] Peak/Demand Surcharges

I. <u>Peak/Demand Surcharge – Applied to international shipments from all origins to all destinations (except shipments covered in Sections A-H above)</u>

A Peak/Demand Surcharge will apply to any international shipment from all origins to all destinations, except shipments subject to the Peak/Demand Surcharges set forth in Sections A through H above, until further notice for the Service Levels and Peak/Demand Periods set forth below. The Peak/Demand Surcharge will be applied as a rate per pound based upon the billable weight of the shipment.

Service Levels	December 26, 2021 until further notice
UPS Worldwide Express Plus®	\$0.05 per lb.
UPS Worldwide Express®	\$0.05 per lb.
UPS Worldwide Saver®	\$0.05 per lb.
UPS Worldwide Expedited®	\$0.05 per lb.
UPS Worldwide Express Freight®	\$0.17 per lb.
UPS Worldwide Express Freight® Midda	sy \$0.17 per lb.

J. Peak/Demand Surcharge – Applied to Additional Handling and Large Packages

A Peak/Demand Surcharge will apply to packages that require Additional Handling³ and Large Packages³ for all U.S. domestic, U.S. import, and U.S. export shipments, for qualifying customers who have shipped more than 1,000 total packages, or more than 10 packages that require Additional Handling³ or Large Packages³, during any week following February 2020.⁴ The Peak/Demand Surcharges will apply in the amounts set forth below during the specified Peak/Demand Period.

Peak/Demand Period (inclusive of starting and ending dates) and Applicable Peak/Demand Surcharge (\$/package)

Other Charges	January 16, 2022 until further notice
Additional Handling ³	\$3.50 per package
Large Package Surcharge ³	\$40.00 per package

K. Peak/Demand Surcharge - Applied to UPS® Ground Residential and UPS SurePost® Packages

A Peak/Demand Surcharge will apply to certain UPS Ground Residential⁵ and UPS SurePost packages for all

U.S. domestic shipments, for qualifying customers who have shipped more than 25,000 packages during any week following February 2020.⁶ The Peak/Demand Surcharge will apply in the amounts set forth below on a per package basis to the indicated service levels during the specified Peak/Demand Period:

Peak/Demand Period (inclusive of starting and ending dates) and Applicable Peak/Demand Surcharge (\$/package)

Service Levels	January 16, 2022 until further notice
	>110% of February 2020 volume ⁶
UPS SurePost®	\$0.30 per package
UPS® Ground Residential	\$0.30 per package

3 As described in the UPS Rate and Service Guide and the UPS Tariff/Terms and Conditions of Service.

4 Applies to customers who (1) shipped more than 1,000 total packages in any week after February 2020, or (2) shipped more than 10 combined Large Packages or packages requiring Additional Handling in any week after February 2020, or (3) signed up for a new UPS account after December 31, 2020. If any of these criteria are met, the Peak/Demand Surcharges apply until further notice to all Large Packages and packages requiring Additional Handling. Customer's volume includes any affiliated accounts and other accounts related to customer, as determined by UPS in its sole and unlimited discretion.

6 Applies to customers whose combined volume of Ground Residential and SurePost packages has exceeded 25,000 packages in any week after February 2020, regardless of the volume of customer's shipments for any particular service level. Once this threshold has been met, the Peak/Demand Surcharges apply until further notice to all service levels. Customer's volume includes any affiliated accounts and other accounts related to customer, as determined by UPs in its sole and unlimited discretion. The Peak/Demand Surcharges apply to all Ground Residential and SurePost packages in any weekly invoice period exceeding 110% of the customer's average weekly volume for the applicable service level for February 2020 (February 2020 (February 29, 2020). For holiday weeks that are not full UPS operating weeks, the surcharge will apply to all packages in that week! If customer's average weekly volume for the applicable service level for February 2020 multiplied by the number of full UPS operating days in that week. If customer's average weekly volume for the applicable service level for February 2020 multiplied by the number of full UPS operating days in that week. If customer's average weekly volume for the applicable service level form August 29, 2021 through February 2, 2020 through February 29, 2020, as determined by UPS in its sole and unlimited discretion, then customer's average weekly volume from August 29, 2021 through Customer's volume includes any affiliated accounts and other accounts related to customer, as determined by UPS in its sole and unlimited discretion.

⁵ As described in the UPS Rate and Service Guide and the UPS Tariff/Terms and Conditions of Service.