### January 15, 2023 Update

### **UPS Demand Surcharges**<sup>1</sup>

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

Demand Surcharges are subject to change and Demand Periods may be extended or otherwise changed. Shippers should continue to check <a href="https://www.ups.com/peaksurcharge">ups.com/peaksurcharge</a> for updates prior to tendering shipments.

A. <u>Demand Surcharge – Applied to shipments from China Mainland, Hong Kong SAR or Macau SAR to the U.S.</u> A 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 Demand Periods set forth below. The Demand Surcharge for shipments to the U.S. will be applied as a rate per pound based upon the billable weight of the shipment.

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

| Service Levels                       | December 25, 2022 until further notice |
|--------------------------------------|--|
| UPS Worldwide Express Plus®          | \$1.22 per lb.                         |
| UPS Worldwide Express®               | \$1.22 per lb.                         |
| UPS Worldwide Saver®                 | \$1.22 per lb.                         |
| UPS Worldwide Expedited®             | \$1.22 per lb.                         |
| UPS Worldwide Express Freight®       | \$1.54 per lb.                         |
| UPS Worldwide Express Freight® Midda | sy \$1.54 per lb.                      |

B. <u>Demand Surcharge – Applied to shipments from Australia, New Zealand, or other Asia origins to the U.S.</u> A 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 Demand Periods set forth below. The Demand Surcharge will be applied as a rate per pound based upon the billable weight of the shipment.

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

| Service Levels                        | August 14, 2022 until further notice |
|---------------------------------------|--------------------------------------|
| UPS Worldwide Express Plus®           | \$0.65 per lb.                       |
| UPS Worldwide Express®                | \$0.65 per lb.                       |
| UPS Worldwide Saver®                  | \$0.65 per lb.                       |
| UPS Worldwide Expedited®              | \$0.65 per lb.                       |
| UPS Worldwide Express Freight®        | \$0.66 per lb.                       |
| UPS Worldwide Express Freight® Midday | \$0.66 per lb.                       |

<sup>&</sup>lt;sup>1</sup> The term Demand Surcharge includes Peak/Demand Surcharge and Peak Surcharge, and all of these terms may be used interchangeably.

These 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 Demand Surcharges.

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#### C <u>Demand Surcharge – Applied to shipments from the U.S. to Australia or New Zealand</u>

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

Demand Period (inclusive of starting and ending dates) and Applicable 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. <u>Demand Surcharge – Applied to shipments from Europe origins to the U.S. or North America</u>

A 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 Demand Periods set forth below. The Demand Surcharge will be applied as a rate per pound based upon the billable weight of the shipment.

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

| 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® Midday | \$0.91 per lb.                         |

#### E. Demand Surcharge – Applied to shipments from India to the U.S. or North America

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

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

| 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>Demand Surcharge – Applied to UPS Standard shipments from Canada to the U.S. and UPS Trade Direct<sup>®</sup> shipments from the U.S. to Canada</u>

A 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 Demand Periods set forth below. The Demand Surcharge will be applied as a rate per package.

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

| Service Levels                            | January 16, 2022 until further notice     |
|---|---|
| UPS <sup>®</sup> Standard to the U.S.     | \$0.30 per package                        |
| UPS Trade Direct® from the U.S. to Canada | \$0.42 Canadian Dollars (CAD) per package |

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

A 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 Demand Periods set forth below. The Demand Surcharge will be applied as a rate per pound based upon the billable weight of the shipment.

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

| 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. Demand Surcharge - Applied to international shipments from the U.S. to Canada

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

| Service Levels                        | May 22, 2022 until further notice |
|---------------------------------------|-----------------------------------|
| UPS Worldwide Express Plus®           | \$0.15 per lb.                    |
| UPS Worldwide Express <sup>®</sup>    | \$0.15 per lb.                    |
| UPS Worldwide Saver®                  | \$0.15 per lb.                    |
| UPS Worldwide Expedited®              | \$0.15 per lb.                    |
| UPS Worldwide Express Freight®        | \$0.35 per lb.                    |
| UPS Worldwide Express Freight® Midday | \$0.35 per lb.                    |
| UPS® Standard to Canada               | \$0.30 per package                |

#### I. <u>Demand Surcharge – Applied to international shipments from the U.S. to Europe</u>

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

| Service Levels                        | September 25, 2022 until further notice |
|---------------------------------------|---|
| UPS Worldwide Express Plus®           | \$0.15 per lb.                          |
| UPS Worldwide Express®                | \$0.15 per lb.                          |
| UPS Worldwide Saver®                  | \$0.15 per lb.                          |
| UPS Worldwide Expedited®              | \$0.15 per lb.                          |
| UPS Worldwide Express Freight®        | \$0.35 per lb.                          |
| UPS Worldwide Express Freight® Midday | y \$0.35 per lb.                        |

## J. <u>Demand Surcharge – Applied to international shipments from the U.S. to all destinations (except Australia, Canada, Europe and New Zealand)</u>

A Demand Surcharge will apply to all packages shipped from the U.S. to all destinations except Australia, Canada, Europe and New Zealand until further notice, for the Service Levels and Demand Periods set forth below. The Demand Surcharge will be applied as a rate per pound based upon the billable weight of the shipment.

| Service Levels                        | September 25, 2022 until further notice |
|---------------------------------------|---|
| UPS Worldwide Express Plus®           | \$0.10 per lb.                          |
| UPS Worldwide Express®                | \$0.10 per lb.                          |
| UPS Worldwide Saver®                  | \$0.10 per lb.                          |
| UPS Worldwide Expedited®              | \$0.10 per lb.                          |
| UPS Worldwide Express Freight®        | \$0.35 per lb.                          |
| UPS Worldwide Express Freight® Midday | , \$0.35 per lb.                        |

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

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

| Service Levels                                    | September 25, 2022 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 <sup>®</sup> Midday | , \$0.17 per lb.                        |

#### L. <u>Demand Surcharge – Applied to Additional Handling and Large Packages</u>

A Demand Surcharge will apply to packages that require Additional Handling<sup>3</sup> and Large Packages<sup>3</sup> for all U.S. domestic, U.S. import, and U.S. export shipments for qualifying customers.<sup>4</sup> A Demand Surcharge will apply to all packages that are Over Maximum Limits for all U.S. domestic, U.S. import, and U.S. export shipments. The Demand Surcharges will apply in the amounts set forth below.

| Other Charges                        | October 30, 2022 until January 14, 2023 | January 15, 2023 until further notice |
|--------------------------------------|---|---------------------------------------|
| Additional Handling <sup>3</sup>     | \$6.50 per package                      | \$3.50 per package                    |
| Large Package Surcharge <sup>3</sup> | \$70.00 per package                     | \$40.00 per package                   |
| Over Maximum Limits                  | \$400.00 per package                    | \$0.00 per package                    |

#### M. Demand Surcharge - Applied to UPS° Air Residential, UPS° Ground Residential and UPS SurePost° Packages

A Demand Surcharge will apply to certain UPS Air Residential<sup>3</sup>, UPS Ground Residential<sup>3</sup> and UPS SurePost packages, for customers who are billed for more than 20,000 packages during any week following October 2021<sup>5</sup>. The Demand Surcharge amounts below will apply on a weekly basis to each package over 105% of the Baseline<sup>6</sup> weekly average volume for each service level, during the specified Demand Period. The highest surcharge amount applicable to the volume in excess of the Baseline weekly average volume in a given week will apply to all packages over 105% of the Baseline weekly average volume in that week within each service level<sup>5</sup>:

| October 30, 2022 until January 14, 2023 |                                  |                                  |                                  |                                  |                                  |                             |  |  |
|---|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|-----------------------------|--|--|
| Service Level                           | >105% to 125% of Baseline Volume | >125% to 150% of Baseline Volume | >150% to 200% of Baseline Volume | >200% to 300% of Baseline Volume | >300% to 400% of Baseline Volume | >400%<br>of Baseline Volume |  |  |
| UPS SurePost <sup>®</sup>               | \$1.25                           | \$1.75                           | \$2.00                           | \$2.50                           | \$4.25                           | \$6.00                      |  |  |
|   | Per package                      | Per package                 |  |  |
| UPS Ground Residential                  | \$1.25                           | \$1.75                           | \$2.00                           | \$2.50                           | \$4.25                           | \$6.00                      |  |  |
|   | Per package                      | Per package                 |  |  |
| UPS Next Day Air Residential            | \$2.25                           | \$2.75                           | \$3.00                           | \$3.50                           | \$5.25                           | \$7.00                      |  |  |
|   | Per package                      | Per package                 |  |  |
| All Other UPS Air Residential           | \$2.25                           | \$2.75                           | \$3.00                           | \$3.50                           | \$5.25                           | \$7.00                      |  |  |
|   | Per package                      | Per package                 |  |  |

|                               | January 15, 2023 until further notice |                                  |                             |  |  |
|-------------------------------|---------------------------------------|----------------------------------|-----------------------------|--|--|
| Service Level                 | >105% to 125% of Baseline Volume      | >125% to 150% of Baseline Volume | >150%<br>of Baseline Volume |  |  |
| UPS SurePost®                 | \$0.40                                | \$0.50                           | \$0.60                      |  |  |
|                               | Per package                           | Per package                      | Per package                 |  |  |
| UPS Ground Residential        | \$0.40                                | \$0.50                           | \$0.60                      |  |  |
|                               | Per package                           | Per package                      | Per package                 |  |  |
| UPS Next Day Air Residential  | \$0.40                                | \$0.50                           | \$0.60                      |  |  |
|                               | Per package                           | Per package                      | Per package                 |  |  |
| All Other UPS Air Residential | \$0.40                                | \$0.50                           | \$0.60                      |  |  |
|                               | Per package                           | Per package                      | Per package                 |  |  |

<sup>&</sup>lt;sup>3</sup> As described in the UPS Rate and Service Guide and the UPS Tariff/Terms and Conditions of Service.

<sup>4</sup> Applies to customers who (1) have been billed for more than 1,000 total packages in any week after February 2020, or (2) have been billed for 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 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.

Applies to customers whose combined volume of Ground Residential, SurePost, Next Day Air Residential and All Other Air Residential packages has exceeded 20,000 packages in any week after October 2021, regardless of the volume of customer's shipments for any particular service level. Once this aggregate threshold has been met, the Demand Surcharges apply until further notice to all service levels. The Demand Surcharges apply to all Ground Residential, SurePost, Next Day Air Residential and All Other Air Residential packages in any weekly invoice period exceeding the Baseline volume for the applicable service level. For each service level each week, the amount of the surcharge for all packages over 105% of the Baseline for each service level is the highest applicable surcharge for the service level. For example, if the shipper has volume in a week of 175% of the Baseline average weekly volume for UPS Ground Residential, then each UPS Ground Residential package over 105% of the Baseline average weekly volume for UPS Ground Residential). For holiday weeks that are not full UPS operating weeks, the surcharge will apply to all packages in that weekly invoice period exceeding 105% of the customer's average daily baseline volume for the applicable service level multiplied by the number of full UPS operating days in that week. Customer's volume includes volume from any affiliated accounts and other accounts related to customer, as determined by UPS in its sole and unlimited discretion.

The "Baseline" volume is the customer's average weekly volume for the applicable service level for June 2022 (June 5, 2022 through July 2, 2022). If customer's average weekly volume for the applicable service level from September 4, 2022 through October 2, 2022 is less than 80% of its average weekly volume from June 5, 2022 through July 2, 2022, as determined by UPS in its sole and unlimited discretion, then customer's average weekly volume from September 4, 2022 through October 2, 2022 will be used as the Baseline volume.

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