

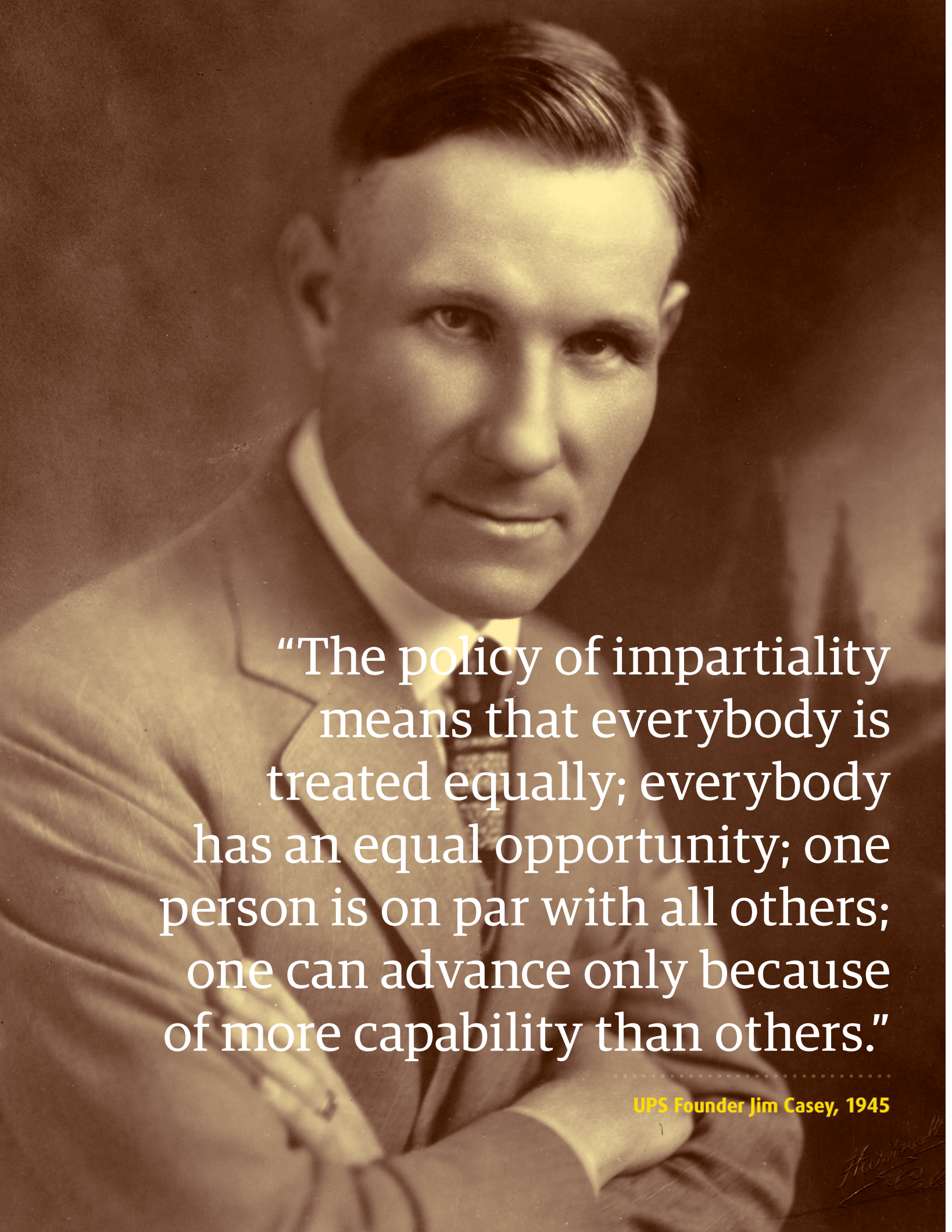


# A Legacy of Diversity



*Living an  
Inclusive  
Culture*





“The policy of impartiality means that everybody is treated equally; everybody has an equal opportunity; one person is on par with all others; one can advance only because of more capability than others.”

.....  
**UPS Founder Jim Casey, 1945**

*Handwritten signature*

“We cannot, in good conscience, stand idly on the sidelines. We cannot reap the benefits of a diverse workforce without doing everything in our power to ensure all people have the opportunity to reach their potential.”

.....

**UPS Chairman and Chief Executive Officer David Abney, 2016**

# Contents

<b>Perspective</b>	<b>2</b>
Eduardo Martinez, UPS Chief Diversity & Inclusion Officer, and President, The UPS Foundation	
<b>Inclusion</b>	<b>4</b>
Embedded in Our Identity	
<b>A Look Back</b>	<b>6</b>
1920s-1930s – Welcoming Women	<b>7</b>
1940s-1950s – Women Take the Wheel	<b>8</b>
1960s – Diversity & Inclusion Take Shape	<b>8</b>
1970s – Advancing a Diverse Workforce	<b>11</b>
1980s – Expanding Diversity Globally	<b>12</b>
1990s – Extending the UPS Community	<b>15</b>
2000s – Furthering Strategic Partnerships	<b>20</b>
2010s – Empowering Resource Groups	<b>23</b>
<b>The Road Ahead</b>	<b>28</b>



# Perspective

Eduardo Martinez, UPS Chief Diversity & Inclusion Officer, and President, The UPS Foundation

**Inclusion drives our business forward. It's not only central to our identity, it is a core part of our business strategy. Inclusion strengthens our workforce and helps us innovate to meet our customers' needs every day. »**



Communities and marketplaces around the world are transforming rapidly. Over the next few years, 70 percent of world growth will come from emerging markets.<sup>1</sup> This growth will be increasingly focused in urban centers, with cities projected to generate more than 60 percent of global growth over the next several years.<sup>2</sup>

Millennials, individuals born between 1982 and 2000, are the most racially diverse generation in American history. By 2044, the U.S. population will become “majority minority” with growing Asian, Hispanic and multiracial communities across the country.<sup>3</sup>

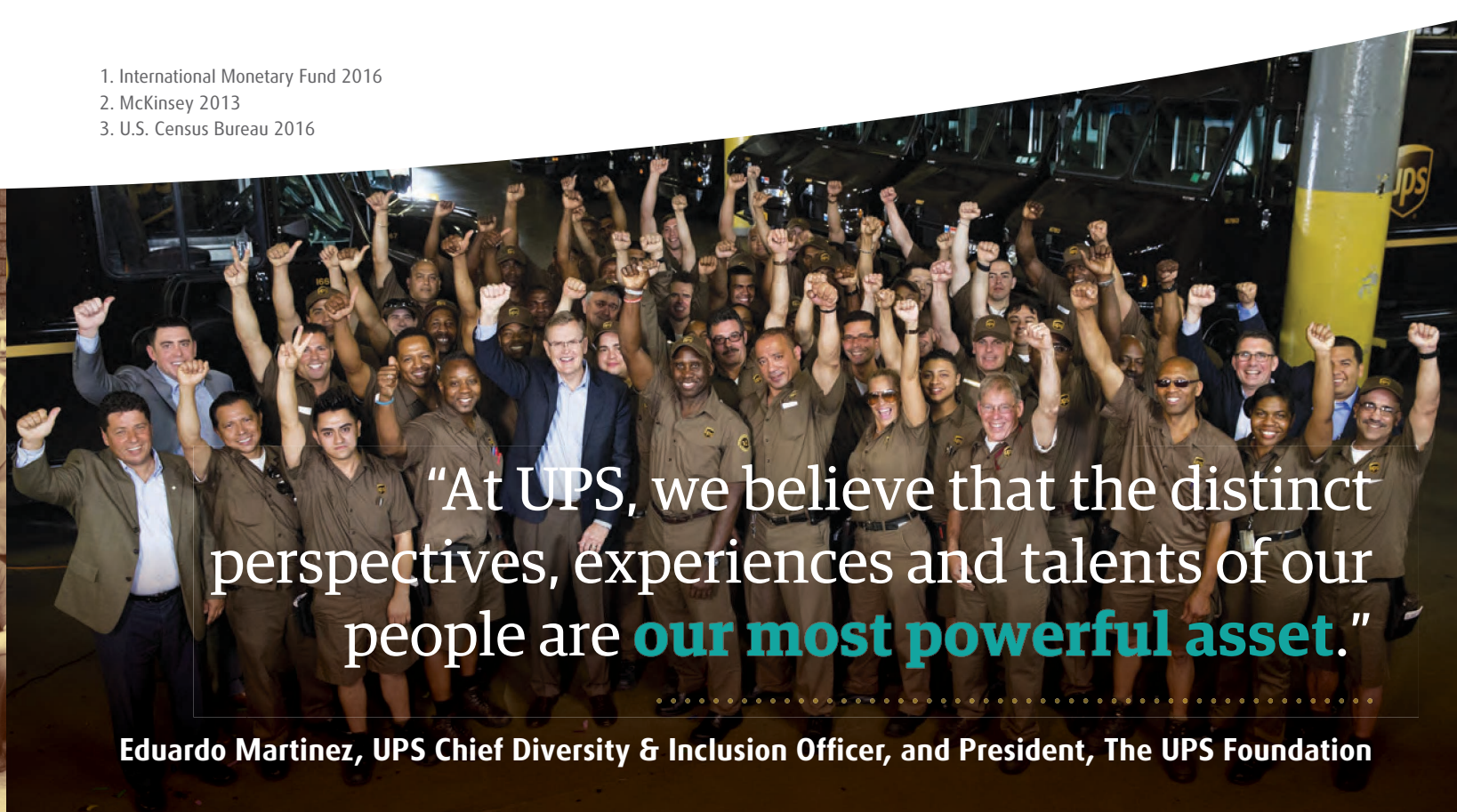
Today, consumers and employees alike want to be seen and valued as individuals. Consumers expect that companies understand and fulfill their diverse needs

more than ever before. And employees are looking to employers to build not only a workplace but a community—one that recognizes their individual talents and contributions.

Now more than ever, inclusion is a business imperative. Accepting difference is no longer enough. To succeed in a diverse, global market, companies must seek out, celebrate and invest in differences across their enterprise.

At UPS, we believe the distinct perspectives, experiences and talents of our people are our most powerful asset. By connecting diverse people and dynamic thinking, we are confident UPS can help solve the world’s toughest challenges—today and tomorrow.

1. International Monetary Fund 2016  
2. McKinsey 2013  
3. U.S. Census Bureau 2016



“At UPS, we believe that the distinct perspectives, experiences and talents of our people are **our most powerful asset.**”

Eduardo Martinez, UPS Chief Diversity & Inclusion Officer, and President, The UPS Foundation

# Inclusion: Embedded In Our Identity

At UPS, we believe in the power of connection. For more than 100 years, we have helped our customers find sustainable solutions by connecting people, places and ideas all over the world through our advanced logistics network. »



making  
connections for  
**100+ years**



**434,000+**  
employees  
worldwide



These connections are fueled by our people, as is our business. UPS employs more than 434,000 people, reaching a diverse network of employees, customers, suppliers and communities in more than 220 countries and territories around the world. Billions of people are touched by our services each year.

Inclusion has always been the engine of our enterprise. We believe the dynamics of different backgrounds, experiences and perspectives are essential to the success of our business. We are committed to cultivating a collaborative and empowering culture, where everyone can share the best of themselves and their talent every day.

This commitment has been central to UPS's identity since the founding of the company in Seattle in 1907. Jim Casey, Claude Ryan, Evert McCabe and Charlie Soderstrom (Pictured above, L to R) partnered together

at a time when the United States was embarking on an era of transformation and innovation.

These visionary leaders believed that our differences make us stronger. Their business philosophy was focused on developing strong talent, no matter its origins, and their desire to build a supportive environment for all employees helped instill the dynamic, inclusive culture that UPS continues to champion today.

UPS's first formal diversity and inclusion efforts may have begun in the 1960s, but investing in people has always been a cornerstone of this company. UPS is built on core principles of trust, acceptance, teamwork and partnership. Every day we connect our employees, customers, suppliers and communities for success. These values speak to who we are as a company and are infused into every part of our business.



**220 countries**  
and territories  
around the world

# A Look Back

UPS has always believed in developing unique talent and embracing people from diverse backgrounds. Jim Casey believed in “inspired management” – leaders at every level of responsibility, within every operating unit and function, inspired by a dedication to principle, people and service. »





# The 1920s:

## Welcoming Women

The first woman at UPS, Jessie Bell, started in the Los Angeles office in 1923. Fondly referred to as "The First Lady of UPS" by her co-workers, Jessie retired in 1954 after 31 years of service.

Women continued entering UPS's workforce as the company expanded into cities like San Francisco, New York, Cincinnati, Milwaukee, Philadelphia and Chicago. Opportunities for women at that time included tabulating, billing, payroll, telephone switchboard and stenography work.



George Casey presenting Jessie Bell a gold watch



“When you align a diversity of people and experiences behind a solid vision... you can indeed move mountains.”

Mike Eskew, Former UPS Chairman and Chief Executive Officer

# The 1940s:

## Women Take the Wheel

In the 1940s, UPS embraced women across the enterprise. As male employees were drawn into the armed forces, opportunities opened up for women to sort, route and load packages.

During World War II, UPS - like many in heavy industry - turned to women to fill in for men serving in the war. UPS women working in operations during that time were referred to as "Brown Betties."

In 1943, Mazie Lanham became the first female package car driver at UPS. Frances Prothero, who served as the Women's Employment Manager during the war, became the first female manager at UPS.

# The Early 1960s:

## Diversity and Inclusion Take Shape at UPS

In 1962, UPS formalized its diversity and inclusion practices for the first time. The company embraced equal opportunity measures and made significant strides in shaping a more diverse, representative workforce.

## National Urban League

In 1962, UPS joined forces with one of its oldest and most valued partners, the National Urban League (NUL), an organization dedicated to advancing African Americans and civil rights. Since then, UPS has provided significant financial and organizational support to NUL, creating

economic and educational opportunities for young leaders across the country.

Founded in 1910, NUL is the oldest and largest community based organization in America. As a nonpartisan civil rights organization, it advocates on behalf of African Americans and fights against racial discrimination. NUL's mission is to empower African Americans to secure economic self-reliance, parity, power and civil rights.

Throughout UPS and NUL's partnership, UPS has supported numerous programs to create opportunities for the underserved in areas of education, economic empowerment and mentorship.

UPS funding has supported such programs as the Read and Rise youth leadership development program, NUL's annual national conference and more than 40 years of support for the Black Executive Exchange Program (BEEP).

Since 2008, UPS has supported the Entrepreneurship Center Program (ECP), which enables minority entrepreneurs to take advantage of new business opportunities. Entrepreneurs who qualify for the program receive individualized management assistance and group training services to help increase business acumen, operate profitable businesses and increase market share to offer living wage employment opportunities to residents in their market area.



UPS Chairman and CEO David Abney chaired NUL's 2016 Equal Opportunity Dinner, which honored businesses and individuals who champion principles of equal opportunity, civil rights and social justice. The Dinner also celebrated NUL's 60th year of bringing opportunity to underserved communities and their citizens.

David stated, "We must decide that opportunity is an unquestionable right, worthy of our best efforts. So everyone sees the value in the differences that make us a nation unlike any other, a patchwork quilt sewn with threads of many colors. So we understand that seeing the world in any other way is as unproductive as it is immoral."

In addition to UPS's rich history with NUL, many executives and former management committee members have held positions on its board. Myron Gray, President of U.S. Operations, currently sits on the distinguished NUL board and received the Charles Collins Distinguished Trustee award for his service and mentorship in 2017.

## The James E. Casey Scholarship and George D. Smith Scholarship Program

The James E. Casey Scholarship Program was established in 1963 to provide merit-based scholarships to children of UPSers to further their education at a four-year college. In 2013, the program expanded globally. The International James E. Casey Scholarships can be used for educational expenses like tuition, housing and books and have been awarded to children of UPSers in more than 70 countries.

The George D. Smith Scholarship Program is available in the U.S., Canada and Mexico. It was established in 1983 for children of UPSers pursuing a two-year degree or certification at an accredited junior or community college, business, vocational or technical school.

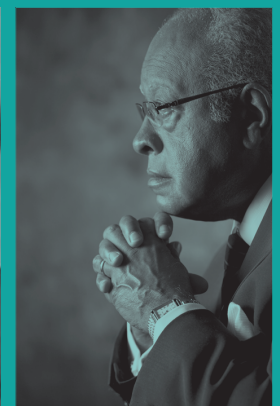
In 2017, UPS announced scholarships for 245 winners representing 35 countries. To date, the scholarship programs have made a difference in the lives of more than 5,600 children of UPSers.

# Profile

## Ken Jarvis

While the nation confronted the issue of race head-on through the Civil Rights Movement, UPS continued to hire and invest in its African American employees.

Sixty years ago, Ken Jarvis was referred to UPS by the National Urban League and became one of UPS's first African American drivers. He went on to work for the company for 37 years, working his way up to vice president of Human Resources. Over the course of his career, Ken watched UPS grow exponentially, witnessing the evolution of inclusion within the organization. Ken led the way for many bright, talented employees and helped advance the African American community through his work with the Black Executive Exchange Program (BEEP).





# Profile

## Aileen Hernandez

In 1965, UPS engaged Aileen Hernandez as an external advisor to enrich the company's approach to diversity. The only woman of the five commissioners named to the inaugural Equal Employment Opportunity Commission, Aileen worked on issues concerning labor, women's rights and civil rights for 50 years. In an interview with UPS in 2003, Aileen described UPS's growth with diversity:

"I think the company has made great strides in the area of diversity. I think [we have learned] a lot because people are now coming to the company because it has been doing this for such a long time. And saying, 'How did you do it? How did you get to where you are? And what are you doing?' And I think actually the company has become a much better company because it is so diverse and brings all the talents of all these various groups of people into the workplace, and into the community as a whole."

Aileen continued, "UPS has learned about the areas in which it operates. They encourage people to go out and identify the community in which the location is placed. And to really become involved in peoples' lives beyond the making of money inside the corporation."

## A Sense of Community

In 1968, UPS leadership founded the Community Internship Program (CIP) as a way to open up managers' eyes to the poverty and inequality exploding into violence in many cities at that time. This executive development program immerses diverse managers in the community, exposing them to the social and economic challenges faced by the unemployed, homeless and other vulnerable populations.

CIP is designed to enhance leadership competencies of managers aligned with the UPS global leadership development and UPS sustainability and diversity initiatives. Community Interns get involved in the work of non-profit agencies and experience social problems including poverty, homelessness, illiteracy, drug dependency, mental illness and incarceration. Interns become exposed to situations they would rarely encounter in corporate America – issues their employees, customers and members of their communities might be experiencing in their day-to-day lives.

Since its inception, more than 1,600 UPSers have participated, leaving their jobs and families for three weeks to serve inner city organizations. Since 2004, the program has been working in partnership with Donaldina Cameron House in San Francisco, a family service organization serving low-income Asian immigrants and families. In New York, UPS has partnered with the Henry Street Settlement since the launch of CIP, delivering a wide range of services to more than 100,000 New Yorkers each year.

By the end of the three week program, managers become more aware of current social issues and societal and political trends affecting UPS. They also understand how their leadership supports and advances corporate social responsibility – people, communities and the environment.

# The 1970s:

## Advancing UPS's Diverse Workforce Nationwide

In the 1970s, UPS undertook many actions in an effort to diversify its workforce and strengthen its connection to the many communities it serves.

Fred Fernandez joined UPS in 1971 as a part-time hub employee in Los Angeles while still in college. He served as the first director of compliance and workforce diversity at UPS in 1990. Fred, who retired in 2005 after 34 years of service, helped develop the company's Diversity & Inclusion Steering Council and community relations strategy.

"The era I served in Human Resources and The UPS Foundation can be described as a bridge between the Civil Rights period of the 1960s, 70s and 80s, to the more strategic approaches of today," Fred said. "The company has undergone an evolution with its global footprint and the implications of a multinational and multicultural corporation."

## National Association for the Advancement of Colored People

In 1972, inspired by its strong relationship with the National Urban League, UPS partnered with the National Association for the Advancement of Colored People (NAACP), the oldest and largest civil rights organization in the United States.

Over the past 45 years, UPS and the NAACP have shared a commitment to improving lives in local communities. Together, both organizations have worked to expand educational opportunities for minority youth through the NAACP's ACT-SO program and expanded business opportunities for minority- and

women-owned companies through the UPS Supplier Diversity program.

For decades, UPS employees across the country have served the NAACP as local board members and volunteers. Myron Gray, UPS President of U.S. Operations, has been engaged with the NAACP for many years. "The NAACP and UPS share a common vision for what's possible in communities when people are given equal opportunity and empowered to make the most of it."

In 2002, the NAACP awarded UPS its "Corporate Citizen of the Year Award," honoring the company for its longtime involvement and support of minority community issues.

UPS's engagement with the NAACP continues to expand. In February 2017, UPS's African American Business Resource Group hosted Dr. Cornell Brooks, Former President and CEO of the NAACP as part of the Black History Month leadership series at the corporate campus. The series fostered a discussion on how UPSers can work across business units to take on the challenges faced in communities, the nation and the world.

Dr. Brooks, a civil rights attorney, minister and champion of the transformative power of education, is one of the nation's leading voices on equality and justice. Brooks delivered his remarks with the theme of Now and Then, a juxtaposition of the civil rights movement in the 1960s and the civil rights movement of today.



L to R: UPS Chairman and CEO David Abney, UPS Retiree Ken Jarvis, Former NAACP President and CEO Dr. Cornell Brooks, The UPS Foundation President and Chief Diversity & Inclusion Officer Eduardo Martinez

# The 1980s: Expanding Diversity Globally

UPS expanded outside of the United States in 1975 when it began offering services in Toronto, Canada. The following year saw the start of operations in Germany. Over the next decade, UPS expanded service throughout the Americas and Europe. In 1989, after purchasing IML, a British document and parcel delivery company, UPS extended service to the Middle East, Africa and the Pacific Rim.

Since UPS's expansion included acquiring companies in multiple countries, company leaders focused on their experiences with different cultures, languages and ethnicities and implemented those learnings throughout the global workforce. UPS leaders focused on ensuring policies were inclusive of the varied countries' cultures, ethnicities and backgrounds of individuals who brought a rich and varied set of skills and thinking to global business. UPS has a long and storied history of fostering inclusive communities through robust community partnerships. In the 1980s, UPS worked to expand its partnership strategy, collaborating with new community leaders.

## National Council of La Raza

In 1982, UPS joined forces with the National Council of La Raza (NCLR), the largest national Hispanic organization dedicated to improving the lives of Hispanic Americans. Over the years, UPS and NCLR have worked to reduce poverty and discrimination and create meaningful opportunities for Hispanic Americans across the country. Through its network of nearly 300 affiliated community-based organizations, NCLR reaches millions of Hispanics each year in 41 states, Puerto Rico and the District of Columbia.

The UPS Foundation supports numerous programs including NCLR's Annual Conference and Emerging Latino Communities (ELC) Initiative. In 2009, the Regional Strategy/Affiliate Network Build-out Program was added

to UPS's partnership profile. The Workforce Development program and the Escalera program were also added to this list in 2012 and 2013 respectively. Escalera is an afterschool program with a proven record of supporting student achievement, improving graduation and college success rates and preparing Latino students to be leaders in their chosen career fields.

Today, The UPS Foundation's President and Chief Diversity & Inclusion Officer Eduardo Martinez sits on NCLR's Corporate Board of Advisors. "UPS is very proud of its partnership with La Raza. The relationships we've developed throughout the last 30 years have been instrumental to both organizations."

At NCLR's 2017 annual conference, UPS Chairman and CEO David Abney discussed UPS's 35-year relationship with La Raza through the lens of three shared diversity beliefs.

"Diversity. Inclusion. Opportunity. The shared beliefs of our two organizations are also the foundation of the American Dream," David said. "It's my opinion that business and its leaders, as well as government and civic organizations, must continue to build on this foundation."

*In July 2017 NCLR announced it was changing its name to UnidosUS.*

## National Veterans Wheelchair Games/ Paralyzed Veterans of America

The National Veterans Wheelchair Games (NVWG) began in 1981 as an outgrowth of the Department of Veterans Affairs' involvement in wheelchair sports. By 1985, the Games' growing size presented a challenge for VA medical centers.

The Paralyzed Veterans of America (PVA) offered to become a co-sponsor and recruited corporations to help. UPS began its partnership with the Games in 1986. Each year, hundreds of UPSers provide skills-based volunteerism to support the Games and cheer on its inspirational athletes.

Since 1988, UPS has been a proud sponsor of PVA to help achieve their mission of improving the quality of life for veterans with physical disabilities, promoting greater independence and functional skills through wheelchair sports and recreation and providing education and training for clinicians specializing in the treatment of veterans.

PVA was founded in 1946 to assist with a wide variety of issues involving the special needs of veterans who have experienced spinal cord injuries or dysfunction.

## Black Executive Exchange Program

In 1989, UPS joined forces with the National Urban League's Black Executive Exchange Program (BEEP), an initiative designed to help African American college students learn and prepare for successful professional careers. BEEP seeks to build links between industry, government and historically black colleges to advance and mentor African American youth.

Throughout the years, UPS leaders have mentored students, provided networking opportunities and helped grow the number of African Americans in its business pipeline.

## Catalyst

Founded in 1962, Catalyst's mission is to work with businesses to build inclusive workplaces and expand opportunities for women. With offices in the U.S., Australia, Canada, Europe, India and Japan, Catalyst has more than 800 supporting organizations around the world, including companies, firms, business schools and associations that collectively employ millions of women.

Catalyst's global lens and regional reach allows it to provide communities, media and the public with information and advice on creating workplaces that enable women and their employers to succeed. Catalyst honors exemplary organizational initiatives that promote women's advancement with the annual Catalyst Award.



# Profile

Calvin E. Tyler

Cal Tyler was the first African American on UPS's Management Committee. Cal grew up in Baltimore, Maryland and graduated from City College in 1960. He started with UPS in 1964 as one of the company's first package car drivers in Baltimore. In 1966, he was promoted into management and held a variety of assignments in Maryland, Washington D.C. and Texas.

Cal served as the District Manager in Nebraska, North Jersey and South Florida before his promotion to Northwest Region Manager in 1982. He also served as the South Central Region Manager for two years before being named the Corporate Human Resources Manager. Cal was elected to the UPS Board of Directors in 1991 while in the role of senior vice president of U.S. operations. From 1997-2003, Cal served on the board of directors for The UPS Foundation. He retired in 1998 after 34 years of service.



# Profile

## Bill Brown

Bill Brown, the first African American to serve on UPS's Board of Directors, echoes many of Aileen Hernandez's sentiments. An accomplished Deputy District Attorney for the Philadelphia, Pennsylvania District Attorney's office, Bill was appointed by President Lyndon Johnson to serve as the fourth Chairman of the Equal Employment Opportunity Commission from 1969-1973. In 1972, he negotiated with UPS to increase the percentage of women hired as package car drivers. He joined UPS's Board of Directors in 1983.

In a 2003 interview, Bill explained the most important part about diversity at UPS:

"There's nothing more important at UPS than our people. They're our greatest asset. And I think UPS understands that we are going to treat people fairly. If I had to point out any one characteristic of UPS, it's one of great, great integrity. It is something that I've been very proud of since I've been associated with this company."

UPS and Catalyst have worked together since 1989. Throughout the years, UPS has supported numerous programs designed to create opportunities for the underserved in areas of education, economic empowerment and mentorship.

At the 2017 Catalyst Conference, "Catalyst CEO Champions For Change" was launched. UPS is a proud founding partner of this initiative, which brings together CEOs and senior leaders who are visibly supportive of diversity and inclusion by driving it in their organizations. UPS CEO David Abney was among 40 high profile CEOs and top industry leaders who committed to advancing this movement.

## International Grants

In the 1980s, The UPS Foundation established its International Grant Awards to engage with new communities within its global network. Spanning all of UPS's international regions, the program collaborates with local partners to support higher education, leadership training and economic empowerment for all.

Funding for the non-governmental organization ALONE enabled the renovation of housing units, providing higher quality accommodation to the elderly in Dublin, Ireland. Globally, the underprivileged have also been supported through literacy programs, vocational training and housing. SOS Children's Villages of India was awarded support for educational, health and nutritional programs, impacting the lives of 84 children from 30 underprivileged homes.

Shortly after The UPS Foundation's launch of the Diversity and Inclusion focus area in 2008, Brazil's Lar da Irmã Celeste was awarded funding to support children with developmental disabilities through the refurbishment of a sports court and adapted entrance ramps.

Through tuition subsidies, financial support was awarded in 2016 to the South China University of Technology Education Development Foundation to further the studies of disadvantaged youth.



# The 1990s: Extending the UPS Community

In the 1990s, UPS extended its approach to diversity and inclusion to other important stakeholders in its value chain - suppliers.

## Supplier Diversity Program

In 1992, UPS launched the Supplier Diversity Program in an effort to create new opportunities for minority-owned, women-owned, veteran-owned, historically underutilized businesses and Small Business Administration (SBA)-defined small business concerns. The goal was to strengthen these business communities by increasing access and providing equal opportunities to compete with other suppliers.

Since then, UPS has awarded hundreds of millions of dollars in contracts to diverse suppliers. What began in 16 markets has since expanded nationwide. Investing in these businesses and communities continues to be an important part of UPS's business strategy, enabling UPS to innovate and collaborate more successfully. A third-party study on the economic impact of 2015 spending with small businesses, as well as minority-, women-, veteran-owned and other diverse suppliers found that UPS contributed more than \$2.3 billion to the U.S. economy (U.S. GDP) and sustained more than 14,200 jobs in the supply chain and local communities.

To support the growth of the program worldwide, UPS has partnered with several organizations including the Women's Business Enterprise National Council, the National Minority Supplier Development Council, the U.S. Hispanic Chamber of Commerce, the U.S. Pan Asian American Chamber of Commerce, the National Gay and Lesbian Chamber of Commerce and the Native American Business Alliance.



## Profile

Juan Perez

Juan Perez began his UPS career in 1990 as an intern in Los Angeles and then held numerous assignments across several business units in operations, industrial engineering, quality and technology. Juan spent several years in Information Systems (I.S.) leadership roles ranging from supply chain solutions applications to operational and customer resource management technologies, as well as overall coordination of I.S. activities for multiple international regions.

Juan was a key member of the group that defined the foundation for UPS operational technology tools and strategies used today to facilitate driver scheduling, package delivery operations and many technology-enabled services. He also worked with the Information Technology team that developed the On-Road Integrated Optimization and Navigation (ORION) system used by UPS operations to optimize delivery routes to improve service and efficiency.

In March 2016, Juan became the first Hispanic to join UPS's Management Committee when he was named Senior Vice President of Technology. Juan currently serves as Chief Information and Engineering Officer and as coordinator for the UPS Hispanic/Latino Business Resource Group (BRG).

Since 2001, UPS has also been part of an initiative sponsored by the National Minority Supplier Development Council (NMSDC) to establish programs in Europe, Canada and South America. NMSDC promotes business opportunities for more than 12,000 certified minority-owned businesses and connects them to corporate members like UPS. This helps companies meet the growing need for supplier diversity.

UPS has also joined WeConnect International, a global network to identify and certify women-owned businesses outside the U.S. and connect them with the global supply chain. UPS's director of supplier diversity serves on its board of directors.

A cross-functional Supplier Diversity Working Group was formed in 2017 by UPS to identify new opportunities for diverse suppliers. Mark Wallace, Senior VP of Global Engineering and Sustainability, serves as the Executive Sponsor.

## National Federation of the Blind

Since 1940, the National Federation of the Blind (NFB) has worked to ensure that blindness is not the characteristic that defines blind people or their ability to create their own future. Braille education and outreach is an essential part of NFB's approach to addressing the illiteracy crisis among the blind. Enhanced literacy rates will enable more blind adults to enter the workforce with the skills they need to succeed. The UPS Foundation has supported NFB since 1992. In 2014, it provided grant support for Braille literacy programming, services and outreach for blind children and adults. Each year, UPS volunteers are also prominent at NFB's annual convention.

## Education and Outreach

For decades, The UPS Foundation has funded the provision of scholarships by a number of institutions including: The American Indian College Fund, 100 Black Men of America, Hispanic Scholarship Fund, United Negro Scholarship Fund, Ninety-Nines, Inc., Organization of Black Airline Pilots, The International Society of Women Airline Pilots, Tuskegee Airmen Inc. and Women in Aviation International.

# Celebrating Women



## Emily Warner

Emily Warner became the first female airline pilot hired by a commercial airline in the United States (Frontier Airlines). Emily served as a B-727 captain, the first female captain at UPS. She retired in 1994 and her first uniform is on display today at the Smithsonian.



## Patrice Clark-Washington

Patrice Clark-Washington was the first African-American woman pilot in U.S. history to become a captain for a top U.S. airline, UPS, at age 33.

We provide access and equal opportunity to diverse suppliers and promote and develop these suppliers within and outside our organization. We are committed to ensuring that our Supplier Diversity Process strengthens the small-, minority- and women-owned businesses that drive economic development in the communities we serve.

Supplier Diversity Mission Statement

Ginny Odom

At 12, Ginny Odom mastered using a clutch on the family tractor – a prophetic sign that she belonged behind the wheel of a vehicle. Ginny was 23 and working at a boat store in Orlando when she applied as a driver at UPS in 1973. She was the first female employee at UPS’s Orlando hub and drove a package car for nine years before moving to tractor trailers.



In 2014, she did what no other female UPS driver had ever done: complete 40 years of safe driving. Ginny’s journey spans more than four million miles and continues to grow.

Marlene Nazario

UPS’s elite Circle of Honor currently includes 9,349 drivers who have not had an avoidable accident for 25 years or more. The number of active Circle of Honor drivers is the most in company history and includes 74 new members from Canada, Germany, Puerto Rico and France. In 2017, 44 new inductees are women and 34



have joined the ranks of those with more than 30 years of safe driving. A total of 206 women are in the Circle of Honor.

In 2015, the list of new inductees included UPS’s first ever Latin American female inductee, Marlene Nazario, a package car driver from Mayaguez, Puerto Rico.

## Organization of Chinese Americans

Founded in 1973, the Organization of Chinese Americans (OCA) is a national organization dedicated to advancing the social, political and economic well-being of Asian Pacific Americans. OCA is engaged in organizing its over 80 chapters and affiliates across the nation to develop both leadership and community involvement.

UPS began its partnership with OCA in 1994. In addition to conference support, UPS has supported OCA by providing funding toward their Corporate Achievement Awards, Mentoring Asian American Professionals (MAAP) program and Gold Mountain Scholarships for Asian youth.

As a metaphor for the Asian community's view of America (the mountain of golden opportunities), the UPS Gold Mountain Scholarships provide opportunities for students to pursue higher education. UPS has provided over 160 scholarships since the program began in 1999.



Following his retirement in 2008, UPS's former senior vice president of Security for U.S. Operations, Ken Lee, served as OCA's president until 2012. Ken was the first Asian Pacific American to attain the title of vice president at UPS and was one of the highest ranking Asian Pacific Americans at UPS.

During his tenure as president of OCA, Ken supported the development of the MAAP program, expanded opportunities for students in the Internship Program with office placements in UPS's corporate public affairs office and pursued a public policy mandate addressing key issues for the Asian Pacific community.

# Promotion From Within

Development is a shared responsibility between UPS and its people.

This culture emphasizes a "promote from within" approach to management development. By encouraging people to pursue long-term careers, UPS has developed an impressive management team with unparalleled industry expertise. Much of the workforce has advanced from part-time to full-time positions, advancing from non-management to management positions.

UPS has a formalized career development process that identifies high potential employees early and develops

qualified candidates for advanced positions. This process is critical to succession planning, identifying next level executive leadership and ensuring that employees are ready to advance through the company.

This promote from within policy has been central to UPS culture for more than 100 years. Thanks to the depth of experience and service of UPS employees, this legacy is passed on seamlessly from generation to generation. In recent years, UPS recognizes further recruiting, hiring, developing and retaining people from different backgrounds and experience with new ways of thinking is also key to inclusion.

## Broadening Inclusion Across the Company

### Diversity & Inclusion Steering Council

As UPS's commitment to diversity and inclusion expanded across the world, leadership realized it was more than a Human Resources program. Inclusion was playing an increasingly important role across the company, infusing every aspect of UPS's business.

To elevate this strategy, in 1997 UPS created a cross-functional steering council to ensure that inclusive behaviors, practices and programs were integrated into its corporate objectives. The first Diversity & Inclusion Steering Council was co-chaired by former UPS CEO Jim Kelly.

This formal body focused on diversity as a business imperative, helping UPS leverage the unique perspectives throughout its network to help propel the company forward. UPS Chairman and CEO David Abney continues to chair the Diversity & Inclusion Steering Council, which consists of UPS leaders from global functions and business units who meet twice a year to review progress and set direction on initiatives in the four key pillars of the company's diversity efforts – employees, customers, communities and suppliers.

### Welfare to Work Program

Also in 1997, UPS began the Welfare to Work Program. The nature of UPS's business requires that the company find innovative ways to recruit, train and retain the best workers. Developing people and reaching out to local communities are integral parts of the UPS cultural fabric.

As far back as 1976, UPS had been recruiting individuals from public assistance. The company didn't call it welfare to work - they called it smart business. UPS was on the front lines, visiting government and social service agencies, interviewing and hiring assistance recipients and placing them in jobs. That is why UPS was chosen as one of the founding companies of the Welfare to Work Partnership.



## Profile

### Jovita Carranza

Jovita Carranza was born in Illinois; she grew up in Chicago as a first-generation immigrant in a Mexican American family. Jovita began her career at UPS in 1976 as a hub clerk in Los Angeles. Throughout the years, she held many roles across the organization and eventually served as vice president managing domestic operations and president of international operations for Latin American and the Caribbean. Prior to retiring from UPS in 2005, she served as vice president of air operations in Louisville, KY and was the highest-ranking Latina in UPS history.

Jovita's retirement was short lived. She was appointed by President George W. Bush as Deputy Administrator for the Small Business Administration from 2006-2009. In April 2017, Jovita was named as President Donald J. Trump's nominee to fill the position of U.S. Treasurer; she was sworn in on June 19, 2017.



# Profile

## Lea Soupata

In 1995, Lea Soupata became the first woman to be named to the UPS Management Committee as Senior Vice President of Human Resources in 1995. Lea served as a member of the UPS Board of Directors from 1998 until 2006.

A native of New York City, Lea joined UPS in 1969 and retired at the end of 2005. In keeping with the UPS philosophy of giving back to the community, Lea served as the chair of The UPS Foundation and as a trustee of the Annie E. Casey Foundation, the world's largest philanthropy dedicated to helping disadvantaged children. She also served as a board member of Junior Achievement of Georgia, HR Policy Association, St. Basil's Academy and as a member of the President's Advisory Committee for Trade Policy and Negotiations.

During her tenure as the head of Human Resources, UPS was recognized for leading employee development and inclusion practices, including The UPS Comprehensive Health and Safety Process, The Welfare To Work Program, The UPS Earn & Learn education assistance and student loan program and the Neighbor to Neighbor community volunteer program.

Former UPS CEO Jim Kelly felt so strongly about the program that he loaned an executive, Rodney Carroll, to the Welfare to Work Partnership as the organization's vice president and Chief Operating Officer from 1997-2000 to guide daily operations and help business leaders across the country establish their own welfare to work programs. Rodney himself was a welfare to work success story—he was raised in an impoverished neighborhood in North Philadelphia and rose through the ranks at UPS.

From 1997 to 2001, UPS hired more than 55,000 people off welfare. By teaming up with public and private community-based organizations, UPS was able to extend job readiness training, transportation and childcare solutions to help people get back on their feet. In 2001, UPS was selected as a winner of the Ron Brown Award for Corporate Leadership for the company's welfare to work efforts.

## The 2000s: Furthering Strategic Partnerships and Women in Leadership

### World Association of Girl Guides and Girl Scouts

In 2004, The UPS Foundation partnered with the World Association of Girl Guides and Girl Scouts (WAGGGS) to provide young women and girls with the skills and opportunities to become leaders in their communities.

Since then, UPS has helped WAGGGS build its membership and increase the capacity of its member organizations around the world. UPS employees throughout the global network have engaged with WAGGGS, volunteering their time and sharing their skills and expertise with young women and girls. Together, UPS and WAGGGS have enabled tens of thousands of girls to find their voice and make a difference in their communities.



## Women's Leadership Development

To expand and develop women's leadership across the company, UPS formed Women's Leadership Development (WLD) in 2006. WLD is designed to help women enhance their leadership skills and advance their careers at UPS. Through workshops, mentorship and networking, the program provides women with the tools and support to grow as professionals. WLD aims to increase women's leadership at UPS by supporting those already in management positions and encouraging more women to strive for higher management.

In its inaugural year, WLD led to a 25 percent reduction in turnover of women in management. What began as a pilot program in 19 locations quickly expanded. By 2007, WLD had taken root in all U.S. regions and business units and in 2009, WLD launched globally. Today, women at UPS in every corner of the globe have access to the training, support and encouragement needed to reach the top.

In 2016, UPS marked 10 years of WLD. To commemorate this milestone, recognize the achievements of all BRGs and identify goals and pathways for the next ten years, UPS combined its celebration with the Women's Leadership Exchange to host a Thought Leadership Summit.

This interactive Summit was comprised of internal and external senior executives from different corporate sectors to delve more deeply into what tools, support, training, mentoring or sponsorship are needed to ensure organizations are diverse and inclusive.

Today, UPS has 65 WLD chapters in more than 30 countries.



**BRG members celebrated**  
the 10 year anniversary of WLD  
in Atlanta in 2016.

## Human Rights Campaign

As America's largest civil rights organization working to achieve lesbian, gay, bisexual and transgender (LGBT) equality, the Human Rights Campaign (HRC) seeks to inspire and engage all Americans in ending discrimination against LGBT citizens and realize a nation that achieves fundamental fairness and equality for all. UPS has formally partnered with the HRC since 2007. The UPS Foundation provides support for the HRC Foundation's Workplace Project, which is a nationally recognized source of expert information and advice on LGBT workplace issues.

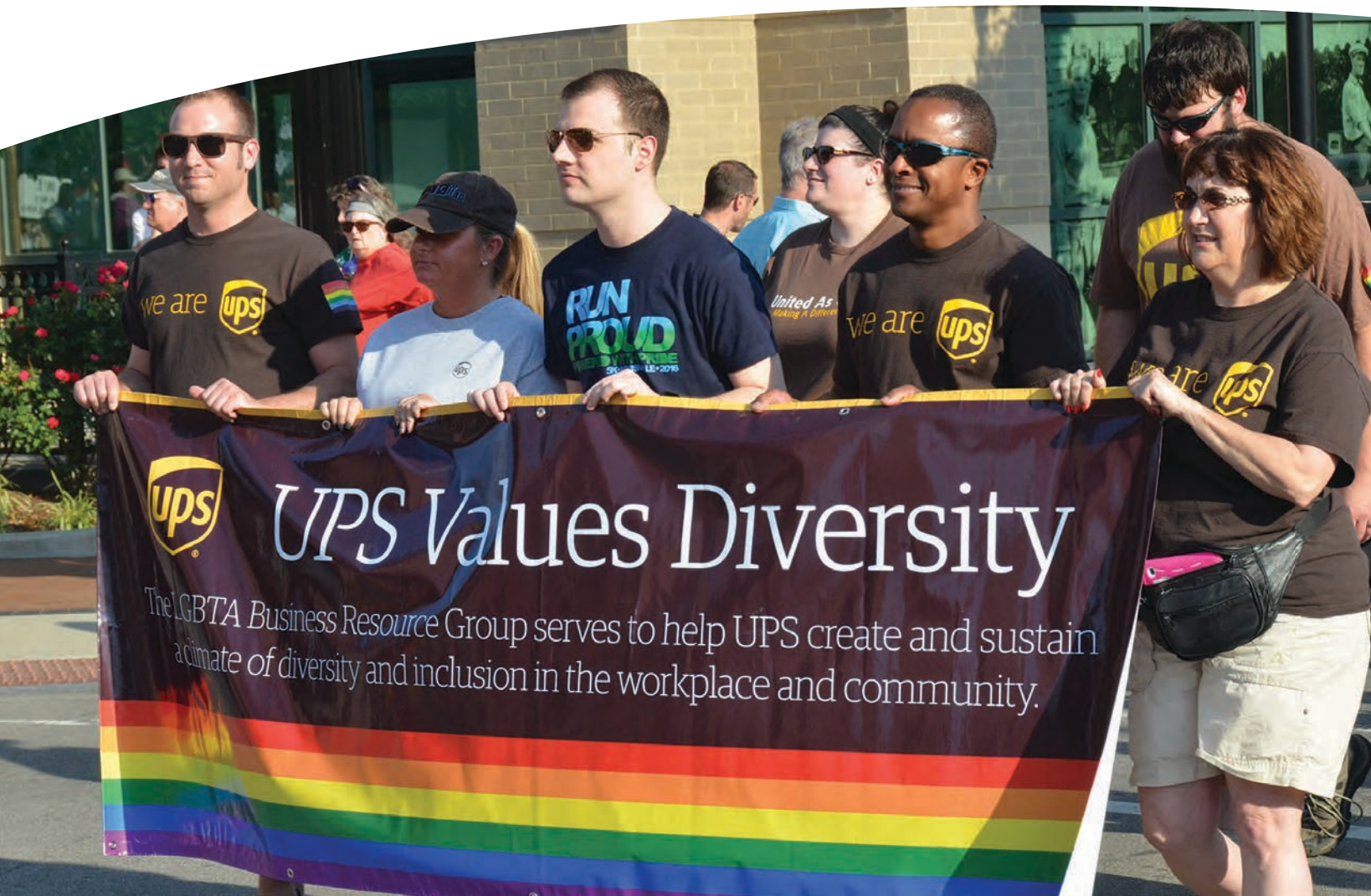
With UPS's support, in 2014, the HRC expanded its education programming related to the Workplace Project's most visible and effective program - the Corporate Equality Index (CEI). UPS earned a perfect score of 100 percent on

the 2017 CEI, an annual survey that rates U.S. corporations on their non-discrimination policies and practices toward LGBT employees and consumers.

UPS is the only company in the *Mail and Freight Delivery* category to achieve a perfect score and is recognized as a Best Place to Work for LGBT Equality.

In April 2017, HRC President Chad Griffin visited UPS's global headquarters, met with UPS CEO David Abney and attended a meet and greet with the LGBT&Allies BRG members and other BRG groups and UPSers.

At the event, David stressed the benefits of having a diverse and inclusive environment and pointed out UPS's perfect score on the CEI. Following David's remarks, Chad provided an overview of HRC and discussed the power of collaboration and equality.





# The 2010s:

## Empowering Resource Groups and Advancing Inclusion

### Diversity Leadership Development Program

In 2010, UPS launched the Diversity Leadership Development (DLD) program. Similar to WLD, DLD aimed to help diverse employees grow and succeed at UPS. Originally piloted in 13 U.S. locations, DLD focused on recruiting diverse talent and improving retention of African Americans, Asians and Hispanics in UPS management.

### Business Resource Groups

Following its first Diversity Pulse Survey in 2011, UPS recognized the need for a formalized development platform in the diversity and inclusion space, one in which all employees' voices could be heard and incorporated into the core business.

As a result, the company expanded Business Resource Groups (BRGs) in 2012 in U.S. regions, districts and business units to provide distinct groups of UPS employees with an opportunity to come together and contribute unique perspectives to help reach enterprise growth goals.

The groups, which include African American, Asian American, Focus on Abilities, Hispanic/Latino, LGBT&Allies, Millennials, Veterans, Women's Leadership Development (WLD) and Working Parents, enable employees to network with coworkers, discuss their experiences in the workplace, take part in professional development and actively participate in programs and events that support UPS as a whole. In 2017, UPS added a new BRG constituency, the Multicultural BRG.



## Profile

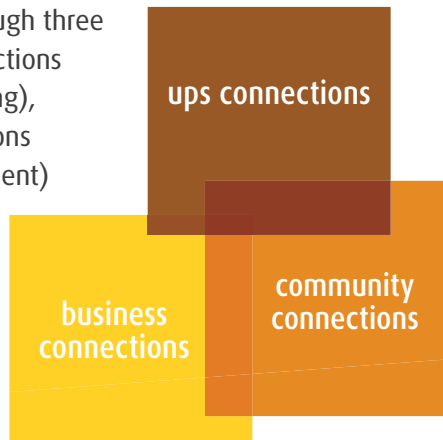
### Teri Plummer McClure

Teri Plummer McClure is responsible for Human Resources, Labor Relations and Communications at UPS. She advises and supports the UPS Board of Directors and is a member of the Company's Management Committee.

A native of Kansas City, Kansas, Teri joined UPS's Corporate Legal Department in 1995, and was promoted into various legal roles including vice president. In 2003, she became president of the Central Florida District. Before returning to the Legal Department, she held special assignments in UPS logistics and distribution and served as UPS Compliance Manager. In 2006, Teri became the first African American senior vice president, general counsel and corporate secretary at UPS. She most recently served as Chief Legal, Communications and Compliance Officer, a position she accepted in 2013. Teri serves as UPS's Business Resource Group (BRG) Program Sponsor and the Executive Sponsor of the LGBT&Allies BRG.

In addition to her corporate responsibilities, she is a member of various bar associations and serves on the board of trustees of The UPS Foundation. Teri also serves on the boards of Lennar Corporation, Heart for Africa, The Task Force for Global Health and the Emory University Board of Trustees.

BRGs operate through three pillars: UPS Connections (internal networking), Business Connections (external engagement) and Community Connections (volunteerism).



Councils to ensure that management employees fully embrace and incorporate D&I practices into their local workplace. Councils are encouraged to blend their unique local culture with UPS's overarching diversity strategy, encouraging employees to attend diversity programs, recruit unique talent and support BRGs.

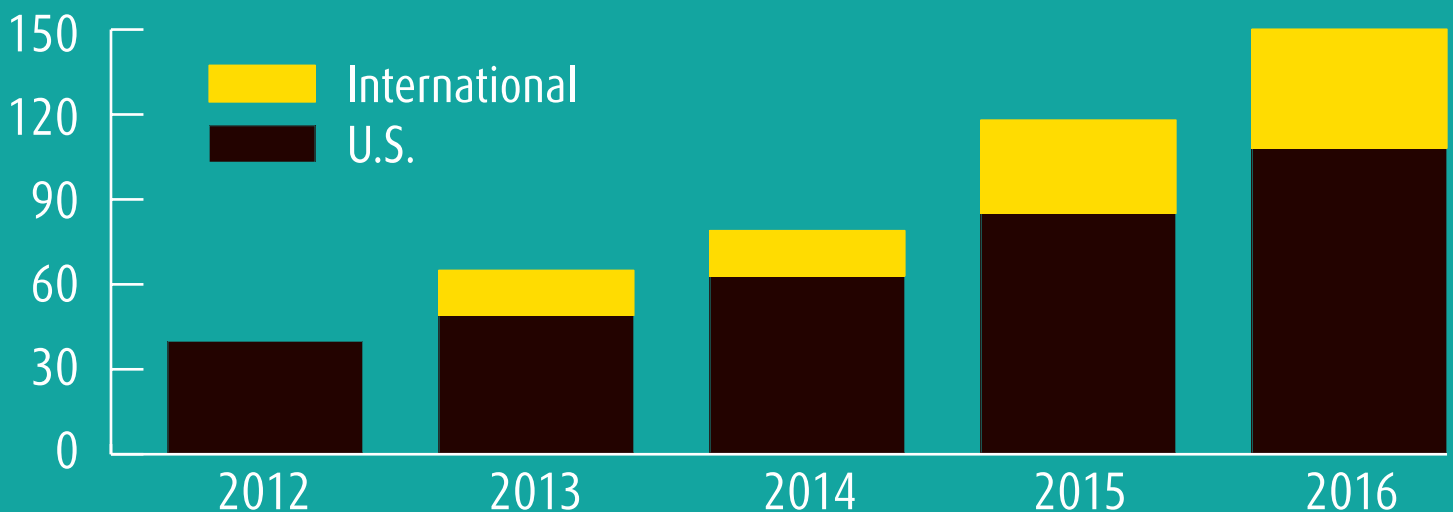
The Europe Region D&I Council focuses on three areas: inclusive leadership, BRGs and talent acquisition. One of their recent projects included establishing new BRGs, resulting in Europe's first Hispanic/Latino BRG, two Millennial BRGs and the first Asian BRG.

## Championing Diversity & Inclusion

As UPS expanded its Business Resource Groups, the company felt strongly that it needed more visible diversity and inclusion champions throughout the enterprise. In 2014, UPS launched Local Diversity & Inclusion

To complement these efforts, UPS named its first Chief Diversity & Inclusion Officer in 2014 to act as a champion for the company's diversity and inclusion efforts. This executive is responsible for blending inclusion into the company's overall strategy, while supporting the needs of an increasingly diverse, global workforce.

# BRG Growth



## WLD Turkey’s Initiative to Empower Women

WLD in Turkey launched in 2011. Since that time, this BRG has undertaken multiple initiatives to empower women in the workplace and community across and beyond Turkey. One such initiative is Kadın Liderlik Platformu or Women’s Leadership Platform, which brings diversity leaders, HR professionals and managers together for best practice sharing to empower women in the workplace.

The network was launched in 2014 and is supported by a grant from The UPS Foundation in partnership with UPS Turkey leadership & volunteers, TurkishWIN and KAGIDER.

## Inclusive Leadership

To further strengthen UPS’s commitment to diversity and inclusion, Inclusive Leadership was rolled out to senior leaders in 2014. During the instructor-led education sessions, participants learn how to overcome their own biases to become inclusive and effective leaders.

Sessions have been held across the U.S., as well as in Brussels, Neuss, London, Dubai and Singapore.

## An Evening with Ambassador Young

In March 2017, UPS Management Conference attendees gathered at the National Center for Civil and Human Rights in Atlanta for a networking activity that included a question-and-answer session with UPS CEO David Abney and Ambassador Andrew Young.

# Growing and Connecting

BRGs at UPS make significant contributions to growing the business and supporting communities we serve. The Hispanic/Latino BRG helped expedite the translation of [www.ups.com](http://www.ups.com) into a Spanish dialect for U.S. audiences. Available in Spanish for years in select countries, the site can now better support individuals and U.S. business users whose native language is Spanish, as well as companies targeting the Hispanic market.



The Europe Region recently launched an Asian BRG in Brussels. Their kickoff event, which ushered in the Year of the Rooster and celebrated diversity, provided the Asian BRG members an opportunity to showcase their culture, discuss priorities, invite new members and host activities including a tea ceremony and paper cutting.

UPS will connect and empower our employees, customers, suppliers and communities for success, embracing the dynamics of different backgrounds, experiences and perspectives to propel our growth and innovation.

### UPS's Diversity & Inclusion Mission Statement

Ambassador Young is a global leader, advisor to presidents, former mayor of Atlanta, and the nation's first African American Ambassador to the United Nations.

This year's theme of diversity and inclusion was intertwined throughout the entire Management Conference and was the focal point of Ambassador Young's conversation with David Abney. David set the stage for the evening as he shared how he learned the

importance of diversity in his early years, notably during his early journey at UPS as an 18 year-old college student while he sorted packages and loaded trailers. Likewise, Ambassador Young shared pivotal moments from his life's work in diversity and inclusion. "There's no problem on the planet that can't be solved without violence," Ambassador Young said. "That's the lesson of the civil rights movement."

## Celebrating Women in Canada

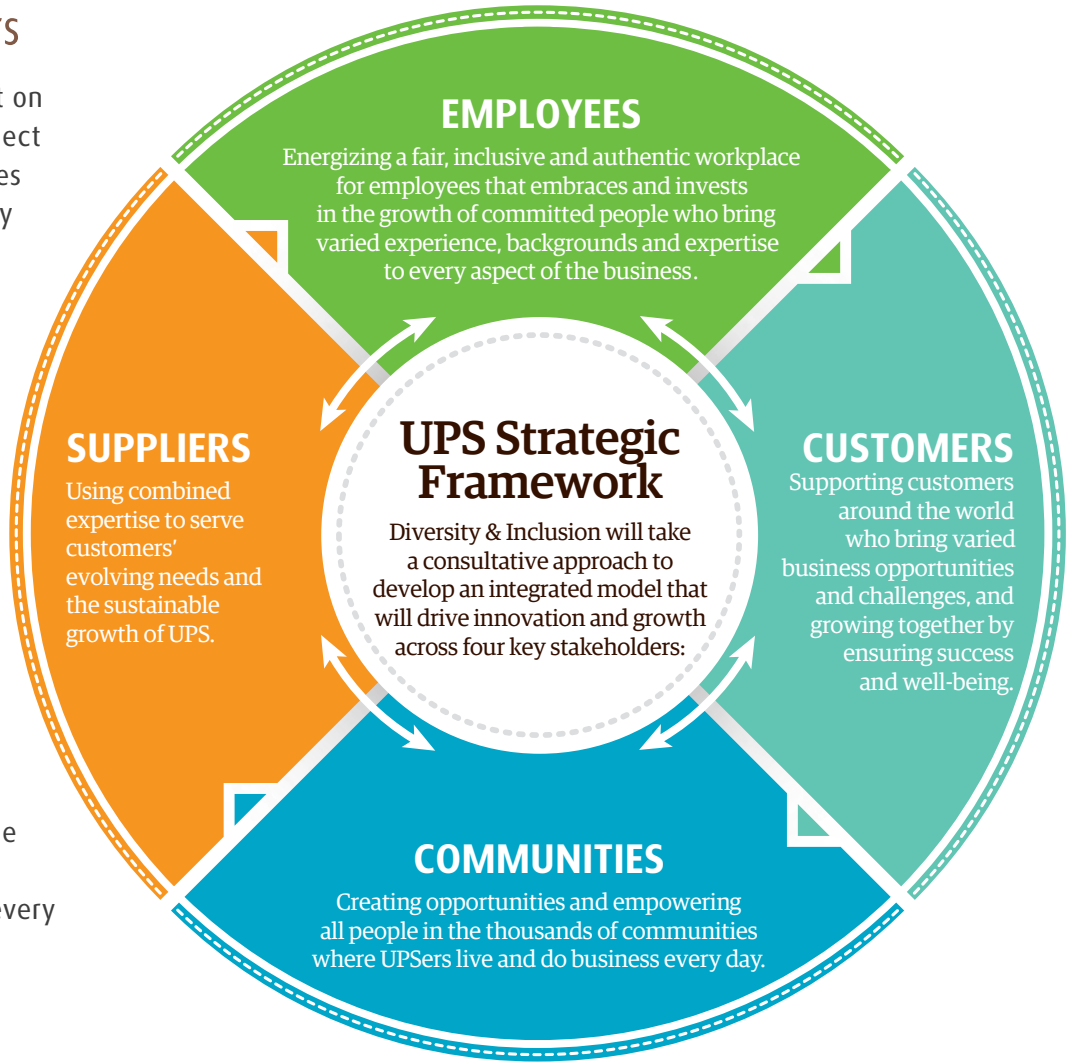
BRG members in Ontario, Canada commemorated the 10 year anniversary of WLD at an event bringing together UPSers, Canadian small businesses and local media. The event featured a panel in which Americas Region Manager and International WLD Executive Advisor Romaine Seguin spoke alongside a female

entrepreneur and one of the founders of Mompreneurs, a small business association for women who own their own businesses. The panel was moderated by Victoria Lennox, President and Founder of StartUp Canada, an organization which provides support and advocacy on behalf of Canadian small- to medium-sized enterprises.

## Connecting the Pillars

UPS's sustained success is built on the ability to increasingly connect customers, suppliers, employees and communities. The company is building an integrated approach, working together with all of its business stakeholders to create meaningful connections, cultivate a collaborative and empowering culture, and include diverse perspectives to increase its global impact sustainably.

The company is energizing a fair, inclusive and authentic workplace for 440,000 UPSers that embraces and invests in the growth of committed people who bring varied experience, backgrounds and expertise to every aspect of UPS's business.



## Advancing Inclusion

UPS is building for the future in several ways:

- Leveraging UPS's Human Capital Strategy to recruit, hire, develop, promote, reward and retain diverse talent at all levels.
- Developing Diversity & Inclusion metrics that will more effectively set goals and measure progress.
- Providing leaders with the tools and resources needed to cultivate an inclusive, supportive workplace.
- Supporting and encouraging UPSers to participate in Business Resource Groups (BRGs).
- Communicating internally and externally to create awareness, demonstrate business impact and recognize people which highlights the importance of a fair and inclusive workplace and UPS's strong focus on Diversity & Inclusion.
- Leveraging UPS's approach to Diversity & Inclusion to fuel customer and organizational growth.
- Expanding partnerships with diverse suppliers throughout the business.
- Through The UPS Foundation, providing access to higher education, creating economic opportunities, serving as mentors to underserved communities and promoting inclusiveness.

# The Road Ahead

Diversity and inclusion is not only a proud legacy for UPS, it is also the future. UPS is cultivating the next generation of diverse talent and advancing inclusive communities around the world. »



## CEOs Showcase Commitment to Diversity and Inclusion

A CEO-led alliance was launched in 2017 to advance diversity and inclusion in the workplace. Business, non-profit and academic leaders have come together to learn how best to cultivate welcoming, collaborative and thriving environments for their employees. The collective of more than 270 signatories who are part of the CEO Action for Diversity & Inclusion recognize that addressing diversity and inclusion is not a competitive issue, but a societal one.

“UPS’s numerous programs focusing on diversity and inclusion are critical components of our business

strategy – they help to support growth and accelerate innovation,” said UPS CEO David Abney. “We have joined this prominent initiative and signed the CEO Action for Inclusion pledge because it aligns with our viewpoint that diversity and inclusion are part of our core values.” With each new policy, investment and partnership, UPS is building a powerful community committed to collaboration, growth and change.

More than 110 years ago, Founder Jim Casey envisioned a company that was centered around its people. The UPS of today is just that – working every day towards a more inclusive and dynamic environment for its vibrant workforce. As the world continues to shift, UPS will continue to innovate and adapt to meet the needs of customers worldwide.

# A Fair, Inclusive and Authentic Workplace

As one of the largest employers in the world, UPS is a microcosm of society’s opportunities and challenges. Balancing the needs of a diverse global workforce to ensure that everyone is treated with fairness, dignity and respect requires daily commitment. UPS has comprehensive policies and procedures in place to ensure fair treatment across the business.

The UPS Charter states that people do their best when they feel pride in their contributions, when they are treated with dignity and when their talents are encouraged to flourish in an environment that embraces diversity.

UPS’s Code of Business Conduct clearly identifies UPS’s policy. Each individual is treated fairly and UPS recruits, selects, trains, promotes and pays employees based on merit, experience and other work-related criteria. These policies comply with all laws governing fair employment and labor practices worldwide.

UPS’s Professional Conduct and Anti-Harassment Policy prohibits harassment based on race, sex, national origin, disability, sexual orientation, gender identity, veteran/military status, pregnancy, age or religion.



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