



How We're Responding to Global Megatrends

UPS's global logistics network carries 3 percent of the world's gross domestic product (GDP) on a daily basis. Here are the principal dynamics shaping how that network evolves in the future.

Competition for talent is steep as organizations aim to build a workforce fit for the future.

A global talent shortage of 85 million people is expected by 2030.¹⁰

Among the hardest roles to fill worldwide are for engineers, technicians, and drivers.⁹

UPS is among the world's largest private employers, which means we are continually on the search for new talent, especially during the holiday shipping season. A reinigorated focus on the employee experience and a new employment branding strategy are helping us attract and retain skilled candidates. We are reaching a wider audience of candidates through in-person hiring events and social media outreach, and using innovative digital platforms to improve employee onboarding and training.

Emissions and pollutants from fossil fuel combustion and other sources are accelerating the impacts of climate change and poor air quality in cities.

20% of global energy and process-related CO2 emissions come from heavy transport.⁸

90% of people worldwide breathe polluted air, with many megacities exceeding safe pollutant levels several times over.⁷

UPS recognizes that GHG emissions impact the climate and pose a serious challenge to the environment and global economy. The scale of our global integrated logistics network enables multimodal transport to ensure environmentally efficient delivery for our customers. Through route optimization, alternative fuel and fleet innovations, and city collaborations to create delivery solutions that reduce pollution and congestion, we are advancing toward a lower-carbon and more resilient future.

A growing share of the world's population lives in cities.

3 million+ people are moving to cities weekly.¹

65% of the global population will live in cities by 2050.²

UPS is investing in sustainable urban logistics solutions that reduce congestion and pollution in cities, and in new types of delivery vehicles, such as electric bicycles and tricycles that can easily maneuver through dense urban centers. Today, we are working on more than 30 pilot projects in cities around the world.

Emerging economies are fueling GDP growth.

62% of total growth in global consumption will come from emerging markets by 2030.³

Much of GDP growth over the next 20 years is expected to be concentrated in Asia, Latin America, and ISMEA.⁴

UPS's transformation strategy focuses on four strategic growth imperatives, one of which is expanding our reach in emerging and high-growth markets around the world. We are enhancing services in these markets through programs that empower small business customers and help them grow to participate fully in the global economy.

More people will continue to buy more things online.

10% of U.S. retail sales are conducted via e-commerce.⁵

\$5 billion is spent globally on digital commerce platforms.⁶

Advances in data analytics and automation technology help us better manage surges in package volume throughout our network. We continue to innovate new delivery solutions, such as UPS My Choice[®] services and UPS Access Point[™] locations, to enhance customer convenience and provide more flexible deliveries.



Sources: 1 Grayline Group; 2 The United Nations; 3 Fortune; 4 Swiss Re Institute; 5 Digital Commerce 360; 6 Shopify Plus and Statista; 7 World Business Council for Sustainable Development; 8 World Health Organization; 9 Man Power Group; 10 Korn Ferry Institute