

# UPS

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## GALAXY STAR AWARD, NOMINATION SUMMARY

UPS's efforts are perhaps best summarized through a single set of statistics. From 2003 through 2006, UPS saved more than 14.8 billion kWh—a 9.5 percent savings—through its commitment to sustainable business, coupled with its philosophy of “constructive dissatisfaction” with the status quo. Indeed, in 2006, the business methods of UPS conserved more than 5.5 billion kWh—over an 11 percent reduction from business methods employed in 2002. Below is but a brief sketch of UPS's energy conservation efforts; details of the company's wide-ranging work are available at [www.sustainability.ups.com](http://www.sustainability.ups.com).

UPS delivers energy conservation through both broad-based international implementation of proven innovations and continued frontier-pushing initiatives. The company's energy savings is the result of conservation efforts in all aspects of its business, but UPS's most dramatic, unique, creative, and measurable energy solutions involve its air and ground transportation fleets.

**Use of Proven Innovations:** UPS Airlines, the world's eighth largest airline, is committed to energy reduction as an integral part of its operations. For example, UPS Airlines employs a Fuel Conservation Manager whose sole responsibility is to continually explore new fuel conservation opportunities. To date, UPS Airlines has conserved energy by implementing new practices such as taxiing with one engine and reducing flight speeds. UPS Airlines has the only fleet in the world that uses ADS-B, an electronic air-traffic management system, that increases landings per hour by 10-15%, thus saving 1 million gallons of fuel each year and reducing nitrous oxide emissions by 34%. The Lido flight planning program maps the most efficient route between locations and takes account of factors like terrain, weather, and wind.

UPS's efforts in the air are matched by efforts on the ground, where its ground fleet operates as a rolling laboratory. Of UPS's more than 94,000 vehicles, 20,000 are low emissions vehicles; more than 1,500 run on compressed natural gas or propane; 50 are third generation electric hybrids, saving 44,000 gallons of fuel annually; and 11 are the only liquefied natural gas tractor trailers in the world. In addition to intelligent vehicle selection, the energy reductions in ground fleet operations are achieved through simple and thoughtful measures, such as reducing the number of left hand turns, as well as innovations like the use of mobile computers and advanced route-mapping technology. The use of mobile computers saves 84 million sheets of paper, or 7,308 trees, per year, while use of route-planning technology reduced UPS routes by an additional 30 million miles in 2007, saving 3 million gallons of fuel and 32,000 metric tonnes of CO<sub>2</sub> emissions. Importantly, through UPS Logistics, this route-planning technology is employed by other companies, annually shortening the trips of 110,000 vehicles by 645 million miles and eliminating 700,000 metric tonnes of CO<sub>2</sub> emissions.

**Frontier-Pushing Initiatives:** The spirit of innovation that has driven these past reductions is driving UPS to the frontier of energy conservation and alternative energy research. UPS has partnered with the U.S. EPA to test, in real-world ground transportation applications, hydrogen fuel cell vehicles, which employ no fossil fuels and emit only water, and hydraulic hybrid vehicles that reduce fuel consumption by 60-70% percent and CO<sub>2</sub> emissions by 40%. Similarly, UPS is working with the FAA to make Continuous Descent Approach (which allows a plane to use less fuel by descending at a steady rate) a reality.

UPS's leadership is unique in the industry, as recognized by the company's listing on the Dow Jones Sustainability Index for five consecutive years, the FTSE4Good Index for three consecutive years. In addition, the company received the EPA Clean Air Excellence Award in 2005 and 2006 and was the only package delivery company listed on the inaugural KLD Global Climate 100 in 2005. UPS remains committed to energy conservation and is driving to deliver on its vision of a sustainable business future. Indeed, this is what Brown does for us all.