

Mountain Ridge Consulting

<u>Team Member Name</u>	<u>Year</u>	<u>Major</u>
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Jacob Russet	Senior	Finance

Advisor(s): Jeffrey Thies

Topic Title: UPS: Maintaining our Reputation as a People Led Business

Audience: UPS Board of Directors

Sustainable Development Goal

SDG #8: Promote inclusive and sustainable economic growth, employment and decent work for all

Executive Summary

"UPS is a company with a proud past and an even brighter future. Our values define us. Our culture differentiates us. Our strategy drives us. At UPS we are customer first, people led and innovation driven." – UPS CEO, Carol B. Tome.

At UPS, “people led” means ensuring the employee experience is defined by integrity, teamwork, and safety above all else. UPS is always striving to maintain and improve the employee experience, however there are logistical challenges which can put employee safety at risk. These challenges need to be addressed swiftly and completely in order to ensure the long term successful partnership between UPS and its employee partners.

Since 2015, at least 300 US delivery drivers have been sickened or hospitalized with heat-related illnesses. This includes drivers from UPS, USPS, and FedEx. There have also been a small - but unacceptable number - of deaths, including Esteban David Chavez Jr., a 24-year-old UPS driver who died while delivering packages during a heat wave in Pasadena California in August 2021. UPS’ current heat injury prevention plan, emphasizes hydration, providing water and electrolytes to employees during high heat events. However, as the drivers are saying, when the truck reaches over 120 degrees, hydrating can only do so much. Our solution is to supplement the current hydration-focused plan, with a cooling-centric approach that includes fans for any employee that requests it and upgrading trucks over a 3-year timeline with cooling AC units.

Installing AC units in delivery trucks will help make the work environment safer and promotes decent work for all drivers. Employee death should not be a cost of doing business. Hospitalization should not be a regular occurrence for UPS drivers. Companies have an ethical obligation to do everything financially and legally possible to ensure a safe working environment for our employees, and UPS should expand its Heat Injury Prevention plan to include cooling the trucks with AC units.