



At FedEx, keeping the world connected—in good times and during periods of great need—is who we are and what we do every day. The [FedEx 2021 ESG Report](#) outlines our commitment to connecting the communities where we live and work, in responsible ways.

ESG – environmental, social, and governance – principles have been at the root of our reporting since these efforts began 13 years ago. In 2021, our goals, strategies, and performance metrics are more succinctly organized around ESG issues.

This report covers progress and performance on material ESG topics in our 2020 fiscal year, which ended May 31, 2020, and references indicators from the Global Reporting Initiative (GRI) Standards, the Sustainability Accounting Standards Board (SASB), and the Task Force on Climate-related Financial Disclosures (TCFD).

## Our COVID-19 Response

Since January 2020, FedEx has been on the front lines of the COVID-19 pandemic, operating in impacted areas and providing connectivity and delivery of critical medical supplies to healthcare providers and communities around the world.



### 10,000+

humanitarian aid shipments globally since January 2020.



### 80+

kilotons of PPE shipped since January 2020, including more than 2.2 billion masks, millions of test swabs, face shields, gloves, surgical gowns, goggles, ventilators, test kits, swab manufacturing machines, and dialysis solutions.

### 25+

countries connected by FedEx to enable the global vaccine supply chain.

### 50

U.S. states receiving vaccines delivered by FedEx.



### \$4,000,000

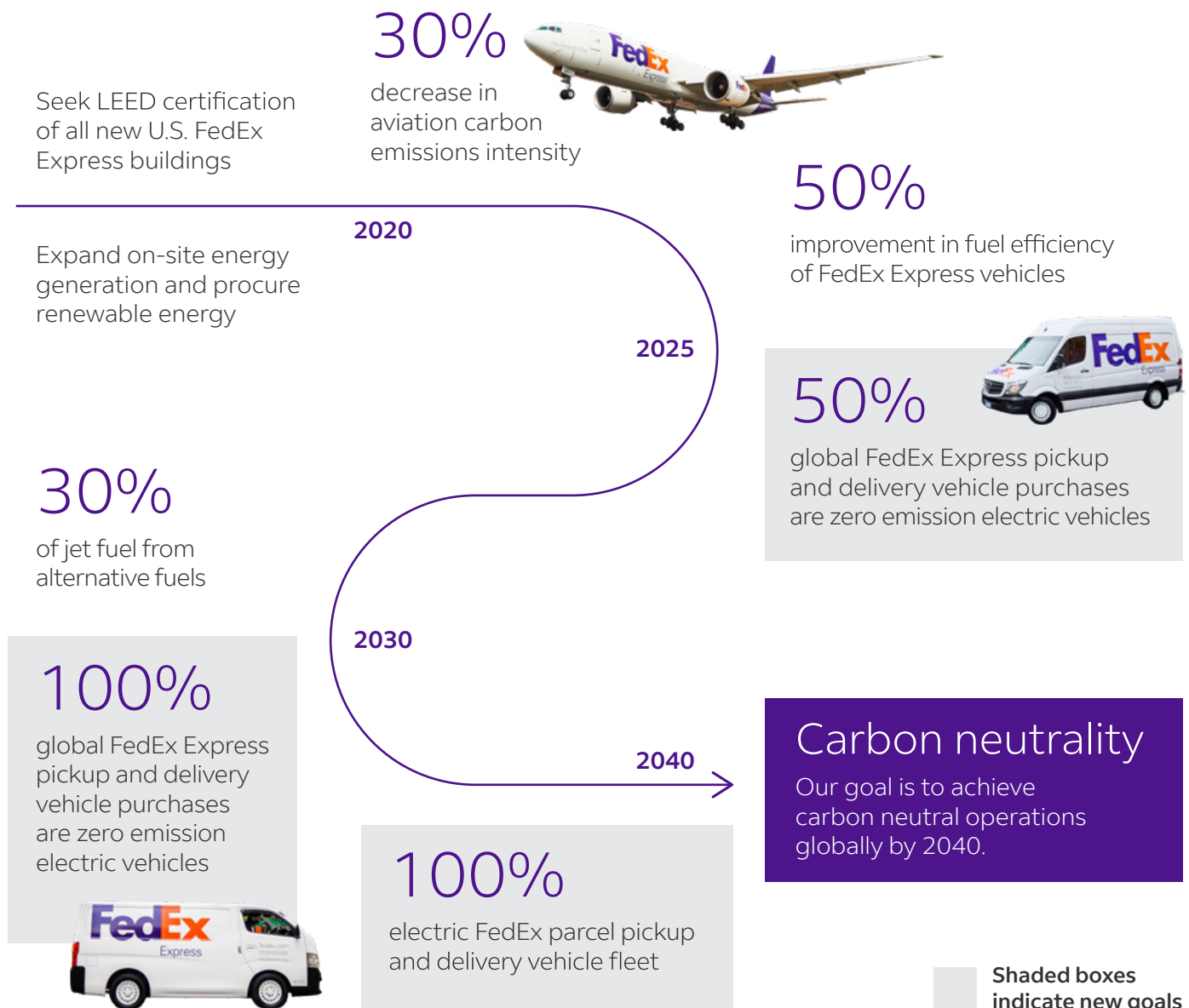
cash and in-kind transportation support to non-profits to reach underserved communities.

# Environment

As part of our longstanding mission to connect the world responsibly and resourcefully, we recently announced a bold new goal to achieve carbon neutral operations globally by 2040, which will be in part funded through our innovative sustainability bond offering. This is the [first sustainability bond](#) issued by a North American transportation and logistics company and is one of the ways FedEx will fund its efforts to achieve its goal of carbon neutral operations by 2040. To get there, we are committing more than \$2 billion over the next several years to support initiatives designed to make FedEx operations more sustainable across our aviation and vehicle fleets and at our facilities.

We have also pledged substantial support to help establish the Yale Center for Natural Carbon Capture, which will accelerate research into methods of carbon sequestration at scale, initially focusing on helping to offset greenhouse gas emissions equivalent to current airline emissions.

## Roadmap of goals to carbon neutrality



**REDUCE:**

Reduce or eliminate impacts from activities or operations

**REPLACE:**

Use the right solutions in the right applications

**REVOLUTIONIZE:**

Discover and in the right applications utilize the technologies and solutions of tomorrow, today

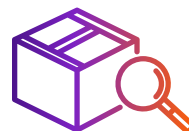
**Our Reduce, Replace, Revolutionize approach guides our environmental strategy across three key areas of our environmental footprint:**

**Aviation fleet**

- As we optimize our flight operations through our Fuel Sense program, our comprehensive aviation fuel conservation program at FedEx Express, we continue to modernize our fleet with more efficient aircraft and technologies and revolutionize our operations through exploration of alternative fuels and industry-leading collaborations.
- Since 2005, we have reduced our aircraft emissions intensity by 27%. In FY20 alone, our aircraft modernization and FedEx Fuel Sense programs have saved more than 255 million gallons of fuel and avoided more than 2 million metric tons of carbon dioxide equivalent (CO<sub>2</sub>e) emissions.

**Vehicle fleet**

- FedEx Corporation relies on a network of more than 200,000 motorized vehicles across the world. We reduce emissions from traditional internal combustion engines used in these vehicles through electrification, alternative fuels, advanced technologies, and state-of-the-art operations.
- We avoided more than 548,000 metric tons of CO<sub>2</sub>e in FY20 through vehicle efficiency initiatives.
- Through FY20, FedEx Express has improved vehicle fuel efficiency by 44.5% from our 2005 baseline.

**Facilities and materials**

- FedEx Express has committed to seek LEED or BREEAM certification on all new U.S. and European FedEx Express buildings and certified facilities where applicable.
- We have improved the energy efficiency of our facilities by upgrading interior and exterior lighting and installing motion sensors and light control systems. In FY20, we completed 49 upgrade projects across 26 facilities.
- As part of our goal to become carbon neutral by 2040, we are advancing on-site renewable energy generation and procuring renewable energy to help us to continue reducing our GHG footprint.
- FedEx-branded cardboard packaging is 100% recyclable and composed of 45% recycled content.

**FY20 by the numbers****3MM+**

**metric tons of CO<sub>2</sub>e avoided** through fuel- and energy-saving initiatives

**4,000+**

**alternative fuel vehicles in service**, including more than 3,000 electric vehicles

**32**

**LEED-certified facilities** globally across the enterprise

**80%**

**of all packaging materials** and 100% of all FedEx Office copy and print paper from **certified sustainable sources**

**69%**

of all reported was **waste sent to recyclers**

**26**

**on-site solar energy facilities** generated more than **24 million kWh** of clean electricity

# Social

Our FedEx culture is built upon our people-service-profit philosophy, a quality-driven mindset, and a pledge to make every FedEx experience outstanding. Our relentless focus on people and quality leads to increased satisfaction, generating profitability across the business. In turn, this profitability allows us to continue investing in our people, ensuring the long-term success of our business.

Safety Above All is our first and foremost value in every aspect of our business. Across the enterprise, we are committed to making our workplaces and communities safer for our team members, customers and the public. In FY20, our lost time injury rate decreased by 6.4% as a result of our safety programs and protocols.



## Diversity, equity, and inclusion highlights:

At FedEx, we believe that DEI delivers a better future for all team members, customers, suppliers and communities. This year, we added equity to the title of our enterprise-wide efforts, formalizing our commitment to creating a workplace where everyone has fair treatment and equal opportunity to succeed.

In 2020, FedEx Express created a Global DEI Governing Board to oversee DEI efforts throughout the FedEx Express operating company.

This year, we also established four consistent, strategic pillars across our enterprise to frame our DEI work and share our progress:



## FY20 by the numbers

303,000+

full- and part-time  
team members  
hired globally

\$15MM+

provided in tuition  
assistance to 9,961  
employees to further  
their education

25%

of FedEx  
management  
employees  
globally are  
women

38.4%

of FedEx  
management  
employees in the  
U.S. are minorities

\$5MM+

contributed to  
nonprofits  
working on DEI  
in business and  
the community

# Corporate Governance



FedEx is committed to the highest levels of ethics, integrity, and reliability. A strong governance framework, starting with the FedEx Board of Directors and its committees, supports all priorities across the enterprise. The oversight provided by the board and its committees, which includes our corporate social responsibility and human resource management strategies and programs, is guided by the [FedEx Code of Conduct](#), which applies to every FedEx board member and employee globally.

## Risk management

Our Enterprise Risk Management (ERM) program identifies and evaluates top risks—including ESG risks—across the company. We continually review our risk management processes to further strengthen our business against future risks and are exploring how to further integrate ESG risks—including climate- and diversity-related risks—into our ERM process.

## Cybersecurity and data privacy

In FY20, we assembled a cross-functional leadership team co-led by members of our Information Security and Physical Security departments to review and evaluate our enterprise-wide cybersecurity efforts and risks. The [FedEx Trust Center](#) highlights our Global Privacy Policy, along with information about how we protect customer privacy and resources to help our customers identify, report, and mitigate risks.

## Corporate integrity and compliance

The FedEx [Corporate Integrity and Compliance](#) department—led by our Chief Compliance Officer—provides best practices, tools, guidance, communications, and training to team members across the enterprise. In 2020, we updated our [Global Anti-Corruption Policy](#) and [Global Antitrust & Competition Law Policy](#) in response to new laws enacted around the world and to better communicate policies to our team members.

## Public policy and advocacy

At the global, federal, and state levels, we advocate for public policies that encourage free trade and improve the overall safety and sustainability of the transportation sector. We are active participants in the political process and members of various trade associations to promote and protect the economic future of FedEx and our employees, customers, and shareholders. Learn more at [FedEx Policy Perspectives](#).

## Our supply chain

Our FedEx Services Supplier Relationship Management (SRM) is responsible for advancing supplier diversity and sustainability through a consolidated set of policies, tools, and governance practices. In FY20, we procured \$13.3 billion in goods and services from diverse and small-business suppliers in the U.S.

### More information

- [FedEx sustainability website](#)
- [FedEx 2021 ESG Report](#)
- [FedEx Cares](#)

### Media inquiries:

Joseph Miner  
[joseph.miner@fedex.com](mailto:joseph.miner@fedex.com)  
901.258.3272



# About the FedEx 2021 ESG Report



The [FedEx 2021 ESG Report](#) outlines environmental, social, and governance progress and performance for each of our operating companies and all geographies in our 2020 fiscal year (FY20), which ended May 31, 2020. Key performance highlights are included in each chapter of the report, while detailed performance data, including our year-over-year performance, is included in the Data Appendix.

This report references indicators from the Global Reporting Initiative (GRI) Standards. In addition, it contains disclosures in alignment with the Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-related Financial Disclosures (TCFD). The ESG areas covered in this report are informed by the outcomes of our most recent materiality assessment in 2019. Our Scope 1 & 2 emissions data were [externally verified](#) by Cventure LLC.

Please visit the [Reporting Framework Index](#) for more information.