

2024

ESG Report Executive Summary



For over 50 years, FedEx has connected communities, facilitated the movement of goods, and upheld our commitment to the Purple Promise—to make every FedEx experience outstanding. The [FedEx 2024 ESG Report](#) outlines our achievements and advancements toward our environmental, social, and governance (ESG) strategies, objectives, and initiatives and highlights our commitment to ESG leadership in the transportation and logistics industry.

Embedding ESG in our business strategy

Our commitment to ESG performance is fundamental to how we operate and is embedded within our business strategy. We are strategically focused on optimizing our network to enhance our ability to meet the evolving needs of customers and ultimately build a stronger, more intelligent, and more profitable enterprise that is capable of delivering a more sustainable future. By investing in the efficiency and resiliency of our network, we can work to reduce our footprint while growing responsibly and creating a simplified experience for our customers.

Our planet

147 million gallons

of jet fuel avoided through our aircraft fuel conservation and fleet modernization efforts

9,884

alternative fuel and electric vehicles (EVs) in service



60%

of reported solid waste diverted to recycling facilities



34 locations

generated on- and off-site solar energy

Our people

\$44.5 million

provided in tuition assistance, supporting over 12,800 team members



27%

of FedEx management employees globally were women

37%

of FedEx management employees in the U.S. were racially or ethnically diverse

\$9 million

invested in nonprofits aligned with our DEI commitment to build more equitable communities

Our principles

36%

of Board members currently female

98%

of team members completed assigned compliance training courses in FY23

\$35.3 billion

indirectly contributed to global net economic output

\$18.6 billion



in goods and services acquired from diverse and small business suppliers in the U.S.

29%

of Board members currently racially or ethnically diverse

* All data FY23 unless otherwise stated.

Delivering a sustainable future

Our planet

Managing our environmental impacts to create meaningful change requires strategic investment and action. Building on many years of sustainability progress, in 2024, we evolved and broadened our strategic approach to cover the comprehensive actions needed to not only achieve carbon neutrality in our own operations, but also to support the transition of the transportation and logistics industry as a whole. Our strategic approach, coupled with our *Practical Sustainability* philosophy, guides our actions to reduce our environmental impacts while growing our business and adding tangible value for our stakeholders.

Our new strategic approach outlines how FedEx continues to minimize our own operational emissions while co-creating with purpose to collaboratively scale future solutions and support carbon reduction. To neutralize what's left, we will still need additional solutions to offset emissions that cannot be fully reduced through technological advances. To accelerate the science needed to find scalable solutions that can permanently capture and store carbon, FedEx committed \$100 million to help establish the Yale Center for Natural Carbon Capture in 2021.

Key links

- [FedEx sustainability website](#) →
- [2023 CDP climate change questionnaire](#) →
- [Environmental Policy](#) →
- [Governance, Safety, and Public Policy Committee Charter](#) →

Optimizing our network

Network 2.0 is a multi-year effort to improve the efficiency with which FedEx picks up, transports, and delivers parcels and freight. This implementation is designed to reduce our station footprint, increase pickup-and-delivery (PUD) route efficiency, and optimize our enterprise linehaul networks. Our investment in and pursuit of a more efficient network and operations support our efforts to create a more connected and sustainable future.

Just transition

Our carbon neutral operations ambition and overall climate change strategy present a great opportunity for value creation for our stakeholders. To prepare for the transition to cleaner energy, we work to equitably support our team members through a comprehensive benefits package and prepare our workforce with the skills needed to operate in a lower-emissions world. FedEx also continues to explore opportunities to subscribe and host renewable energy installations, such as community solar, that benefit local communities.

- [Yale Center for Natural Carbon Capture fact sheet](#) →
- [Sustainable Logistics | FedEx Cares](#) →
- [Sustainability bond framework](#) →
- [FedEx® Sustainability Insights tool](#) →

Our strategy

Decarbonize what's possible

Minimize our emissions as much as possible through cost-effective technology and efficiency improvements

- FedEx Fuel Sense
- Renewable energy
- Fleet replacement
- Alternative fuels

Co-create with purpose

Work with stakeholders to scale future solutions

- Original equipment manufacturers and start-ups
- Contractors
- Customers
- Policymakers
- Non-governmental organizations

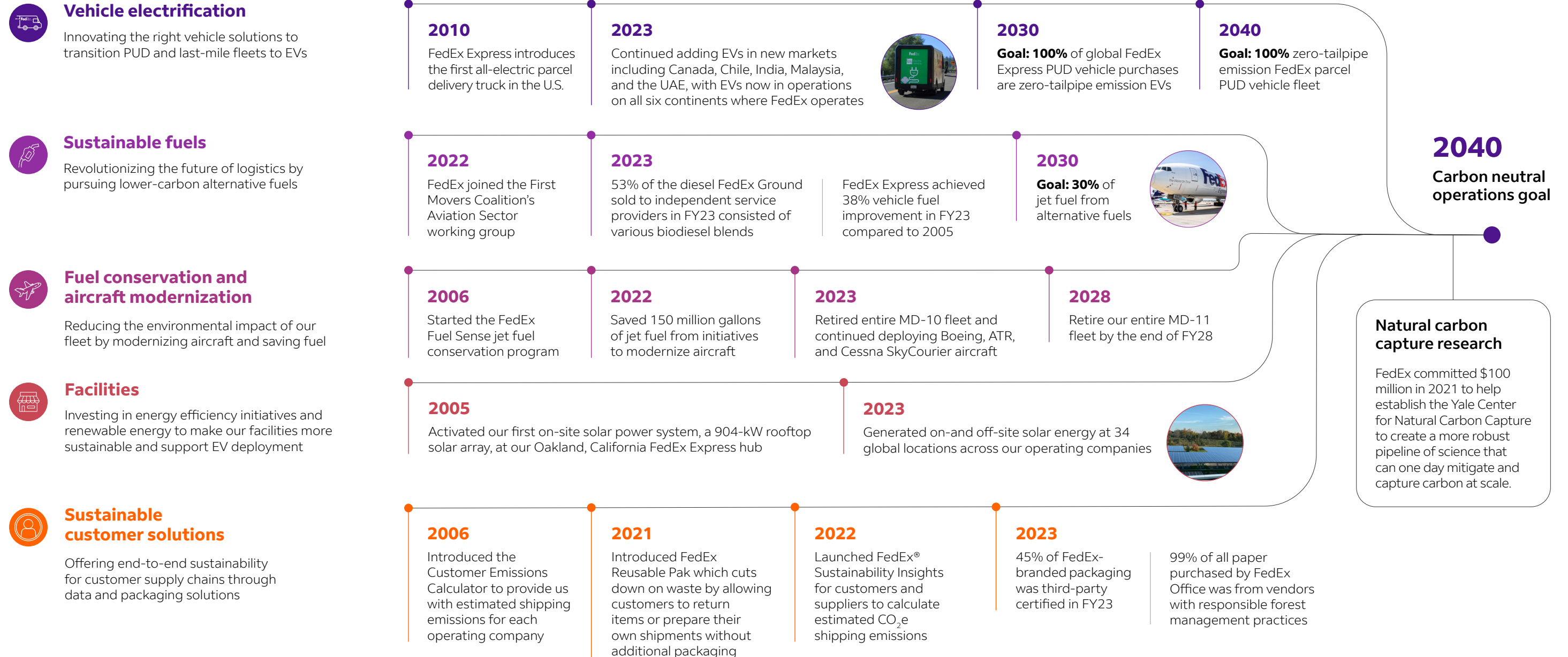
Neutralize what's left

Offset any remaining emissions since reduction alone will not be enough

- Via the Yale Center for Natural Carbon Capture, FedEx supports scientific research of natural carbon removal techniques
- Durable offsets

Our path to carbon neutral operations

We aim to achieve carbon neutral operations by 2040, encompassing Scope 1 and 2 emissions across our global operations and Scope 3 emissions from contracted transportation. Progressing towards our goals requires bold action supported by strategic investment, so we designated an initial \$2 billion investment for operational greenhouse gas (GHG) reduction initiatives and carbon sequestration research solutions. **As a result of our sustainability efforts, we reduced our carbon dioxide equivalent emissions intensity on a revenue basis by 48% between FY09 and FY23, while volume grew by 121%.**



Select sustainability initiatives across the globe

Across our global network, FedEx continues to drive initiatives across the business that align with and accelerate our sustainability strategy and *Practical Sustainability* philosophy. Detailed below are a variety of initiatives that our global teams are implementing to increase use of EVs, generate solar energy on-site, pursue strategic collaborations in alignment with our goals, and more.

Canada

E-cargo bike deployment

FedEx operates 45 e-cargo bikes across five provinces. Since 2020, these bikes have traveled more than 94,000 kilometers, avoiding an estimated 26 metric tons of CO₂ so far.



United States

Community solar

FedEx Ground has two community solar subscription agreements—approximately four megawatts in New York and one megawatt in Maine. Both offsite installations increase the delivery of renewable energy to the local utility grid.

Chile

EV deployment

FedEx Express introduced eight EVs to the PUD fleet in June 2023. The electric fleet of Maxus eDeliver 3 vans are based at the FedEx Distribution Center in Pudahuel and have a range of over 200 kilometers.



Brazil

EV deployment

FedEx Express opened its first street-level FedEx shipping center in downtown Rio De Janeiro—our first store in the country to have a 100% electric fleet, consisting of eight motorcycles and two vans.



South Africa

EV deployment

Following successful trials in 2021, FedEx Express formally deployed its first PUD EVs into service in Johannesburg in 2023.

United Kingdom

EV deployment

In 2023, FedEx Express Europe added 23 fully electric Mercedes-Benz eSprinter vans in central London, serving the city's Ultra Low Emissions Zones. We also installed 39 EV charging points in Bermondsey and Hornsey to meet our current and future energy demands in the area.



Italy

Sustainable facility design and community impact

The FedEx Express Europe Novara Hub in Milan is certified to LEED Gold and benefits the local area and communities, with more than 450 job opportunities generated in the area through an innovative recruitment approach in which DEI is a key element.

South Korea

Sustainable facility design

The FedEx Incheon Gateway, a G-SEED (Green Standard for Energy and Environmental Design)-certified building generates renewable energy through 2,400 rooftop solar panels, which supply about 19% of the facility's energy needs per month. The facility also incorporates other sustainable design principles, such as 100% LED lighting, a green roof, and rainwater collection.

China

EV deployment

China is the largest EV market in the world, and at the end of FY23, EVs accounted for 13% of the FedEx fleet in the country.



India

Sustainable facility design

FedEx expanded its current gateway based in the New Delhi Cargo Complex. The 18,000-square-foot facility includes an advanced variable refrigerant volume cooling system that reduces electricity consumption by an estimated 15%–30% compared to a traditional HVAC system.



Australia

Sustainable facility design

FedEx Express opened a new 64,000-square-meter gateway in Adelaide, South Australia, which is equipped with a 4,500-square meter skylight to increase natural light and uses 100% LED lighting to save energy when compared to traditional lighting. The facility also collects and reuses rainwater on site and is equipped with EV charging provisions and scalability.

Delivering on our culture

Our people

The FedEx culture has not only served as a unifying force across all our operating companies but also enables us to drive progress and uphold our principles. Our culture values and behaviors apply to every team member and are supported by three fundamental components: People–Service–Profit, the Purple Promise, and our Quality Driven Management approach. These components enable us to build the world’s most flexible, efficient, and intelligent network—all to improve our operations, better serve our customers, and drive growth for FedEx.

Diversity, equity, and inclusion (DEI)

At every level of the enterprise, everyone plays a role in building a more inclusive and equitable FedEx. This commitment is conveyed through our DEI framework and supported by four strategic pillars. In FY23, we conducted enterprise-wide recruiting events and attended external employment events to attract experienced and diverse candidates. FedEx Express successfully launched a program in 14 U.S. markets to make our hiring process more inclusive for Spanish-speaking candidates and implemented a dedicated recruitment plan for U.S. military veterans transitioning to the private sector. In FY23, we also supported scholarships and leadership development programs across the U.S. and provided funding to Historically Black Colleges and Universities to prepare students for the workforce through a multi-year contribution of \$5 million.



Human resource management

As we continue to grow globally, we remain dedicated to continuously recruiting, retaining, and nurturing our team members through engagement, competitive wages, enhanced benefits, and flexible scheduling. We also implement a range of initiatives across our global operations to foster an environment of continuous learning and career development, such as the FedEx Learning Center, our enterprise-wide leadership development program, and the Learning inspired by FedEx (LiFE) program, a collaborative initiative between various FedEx operating companies and the University of Memphis.

Health and safety

Upholding the health, safety, and well-being of our team members and contractors is a foundational value in every aspect of our business. Our commitment is rooted in our culture of *Safety Above All*, which informs our health and safety policies, technology investments, risk evaluation processes, recognition and awards, and training programs. Our safety management systems help reduce work-related injuries and illnesses and promote regulatory and safety compliance.



Over 3,000

team members in FY23 were enrolled in the LiFE program, with 28 team members earning their degree

Key links

[Our people and culture webpage](#) →

[Compensation and Human Resources Committee Charter](#) →

[FedEx Cares](#) →

[Diversity, equity, and inclusion webpage](#) →

[EEO-1 Reports](#) →

Our five culture values and the behaviors that bring them to life are:



Take care of each other

- We put safety above all.
- We make “safety” a place, a habit, and a mindset.
- We bring our whole selves to work.
- We value our differences and believe every voice counts.



Commit to do good

- We make connections.
- We seek ways to protect our planet.
- We do the right things the right way.
- We help communities thrive.



Drive business results

- We know how our roles support the business.
- We deliver results aligned to our strategy.
- We invest wisely to drive profit.
- We create value for our shareholders.



Own outstanding

- We make every experience matter.
- We simplify and work smarter for our customers.
- We find ways to stand out from the crowd.
- We are fast, flexible, and focused.



Create what’s next

- We anticipate the future.
- We stay curious.
- We act now to stay ahead.
- We provide a path to growth for everyone.

Delivering on stakeholder expectations

Our principles

At FedEx, we recognize that integrating ESG topics into our company's strategic focus is fundamental to mitigating business risks, enhancing long-term financial performance, and achieving success as a global business. The FedEx Board of Directors and its committees oversee our enterprise ESG initiatives and programs to deliver sustainable, positive value for our business, customers, team members, and stockholders. In 2024, we leveraged a third-party artificial intelligence platform to update our materiality assessment and prioritize ESG topics that are most important to our business and stakeholders. This assessment will be available in summer 2024.

Corporate integrity and compliance

Consistently proving our commitment to compliance and ethics demonstrates our reliability and builds trust with our customers, team members, and the communities we serve. The FedEx Code of Conduct, which was updated in 2023 as part of our commitment to continuous improvement, serves as a public statement of what we stand for, and it reminds us why our values are important.



We are proud to have been recognized by Ethisphere as one of the 2023–2024 World's Most Ethical Companies®.

Cybersecurity and data privacy

Our actions to fortify our systems and safeguard personal information not only preserve the trust of our valued customers, vendors, and team members, but also help us maintain business continuity and reduce disruptions to service delivery. In FY23, we conducted multiple cybersecurity simulations, ranging from high impact ransomware events to contained data breach events. We also earned the prestigious ISO 27001:2013 Information Security Management certification for our four U.S.-based data centers.

Public policy and advocacy

FedEx takes an active role in the political process to secure and advance the economic future and interests of our company, stockholders, team members, and other stakeholders. We directly engage with policymakers in support of our carbon neutral operations goal and work with various government and industry organizations to lobby for effective climate policy.

Supply chain

Our extensive business relationships and supply chain generate significant global economic activity. We work closely with our suppliers to advance our ESG goals throughout the value chain, focusing on diversity and sustainability. In FY23, we launched the FedEx Entrepreneur Fund, designed to uplift veterans and small business owners with disabilities through grants of \$10,000 each to 30 selected small businesses.



1.1 million jobs

outside of FedEx supported by FedEx spending

Key links

[FedEx investor relations website](#) →

[Board of Directors](#) →

[SEC Filings](#) →

[Corporate governance guidelines](#) →

[Our most recent materiality assessment](#) →

[Global Economic Impact Report](#) →

[FedEx Code of Conduct](#) →

[Supplier Code of Conduct](#) →

[Public Policy and Advocacy webpage](#) →

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Please visit [fedex.com/sustainability](https://www.fedex.com/sustainability)

Report boundary and forward-looking statements

Our 2024 ESG Report covers the ESG performance for each FedEx operating company across all geographic regions for fiscal year 2023 (FY23) unless otherwise specified. FY23 ended on May 31, 2023, and all references to “FY” denote the 12-month period ending on May 31 of the specified year. Our [Data appendix](#) details our year-over-year ESG performance and progress, including Scope 1 and 2 GHG emissions data, which was verified by Cventure LLC.

Our ESG Report references indicators from the Global Reporting Initiative (GRI) Standards and aligns with applicable industry-specific standards provided by the Sustainability Accounting Standards Board (SASB), along with recommendations from the Task Force on Climate-related Financial Disclosures (TCFD). See our [Reporting framework index](#) for relevant disclosures related to these frameworks.

Certain statements herein may be considered forward-looking statements. Such statements are subject to risks, uncertainties, and other factors discussed in the FedEx 2024 ESG Report, press releases from FedEx and its subsidiaries, and FedEx filings with the Securities and Exchange Commission (SEC).

