

2025 CORPORATE RESPONSIBILITY REPORT



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INTRODUCTION

About this report

We are proud to present the FedEx 2025 Corporate Responsibility Report, which describes our progress to create an even more connected and sustainable world. This report covers FedEx environmental and social performance across all geographic regions for fiscal year 2024 (FY24) unless otherwise specified. FY24 ended on May 31, 2024, and all references to “FY” denote the 12-month period ending on May 31 of the specified year. In connection with our one FedEx consolidation, on June 1, 2024, FedEx Ground, FedEx Express, and FedEx Services were consolidated into Federal Express Corporation. This will be reflected in our next report. Additionally, we will transition to a December 31 fiscal year-end following the end of FY26.

External assurance

For detailed insights into our environmental, social, and governance (ESG) performance and progress, including year-over-year data, please refer to our [Data appendix](#). Review level of assurance under attestation standards of the American Institute of Certified Public Accountants over FY24 Scope 1, Scope 2, and Scope 3 Categories 3, 4, and 6 greenhouse gas (GHG) emissions was obtained from Ernst & Young LLP (as indicated in the 2024 Selected GHG Emissions Independent Accountants’ Review Report).

ESG reporting frameworks

This 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.

In this section

[About this report](#)
[About FedEx](#)
[Letter from the CEO](#)

Key links

[Sustainability Reporting webpage](#)
[Reporting Framework Index](#)
[2024 Selected GHG Emissions Independent Accountants’ Review Report](#)
[Corporate Social Responsibility webpage](#)
[Global Economic Impact Report](#)



About FedEx

FedEx Corporation (FedEx) provides an extensive range of global transportation, e-commerce, and business services to customers and businesses. For over 50 years, FedEx has been transforming transportation and logistics services by connecting communities, facilitating the movement of goods, and delivering on the Purple Promise—to make every FedEx experience outstanding. Our unparalleled size, scale, and network, paired with the unwavering dedication of our team members, enables us to deliver exceptional value to our customers and stakeholders.

We operate one of the world's largest transportation networks, connecting over 220 countries and territories; supporting 730,000 jobs and 100,000 businesses within our supply chain; and facilitating the global flow of goods, services, and information. While FedEx connects a vast majority of the world's gross domestic product, we also contribute to economic growth through investments in facilities, employee wages, and purchases with suppliers. Our [2024 Global Economic Impact Report](#) demonstrates how we actively foster global, regional, and local economic growth, empower businesses of all sizes, and make substantial investments in communities across the globe.

Sustainable growth and one FedEx

In June 2024, we completed our planned consolidation of operating companies under a new structure that will bring even greater flexibility, efficiency, and intelligence to our business. This transformation to one FedEx created a single company operating a unified, fully integrated air-ground express network under the respected FedEx brand. This transition complements our ongoing efforts to optimize our network, including Network 2.0 and Tricolor, which are designed to improve the efficiency of our parcel and freight pickup-and-delivery (PUD) operations and air network. Additionally, FedEx Freight provides less-than-truckload freight transportation services.

In December 2024, we announced our intention to spin FedEx Freight off from our portfolio structure through the creation of a second, distinct, industry-leading publicly traded company.

We recognize the business case for responsible growth, including how a strong governance program focused on environmental and social strategies can enhance risk management, drive cost savings, provide opportunities for our global workforce, and support long-term value creation. Our transition to one FedEx will unlock new value for our customers, enable opportunity, and foster a more unified, inclusive culture for our team members. By leveraging the strengths of our services, we seek to create an end-to-end streamlined network that enables efficiency while simultaneously maximizing returns for stockholders.

To prepare for forthcoming mandatory disclosures required by international, national, and sub-national governing bodies that oversee the areas in which we operate, we established cross-functional teams whose work is overseen by the Board of Director's Audit and Finance and Governance, Safety, and Public Policy Committees.

Our commitment to deliver a more sustainable future also builds on the foundation of our [People-Service-Profit philosophy](#), which empowers our team members, customers, and communities to create positive, far-reaching effects worldwide.

Key links

[About Us webpage](#)

[Investor Relations website](#)

[FedEx Cares website](#)

[Global Economic Impact Report](#)



Letter from the CEO

One central question drives us at FedEx: How can we deliver greater value?

We define value by progress, considering not only our daily contributions but also how we advance the world. As the company that pioneered express delivery and built the network that connects the globe, we understand that progress is only possible through change.

That is why we continuously innovate and pursue what's next to deliver greater value and a brighter future for the people and communities we serve and the planet we share.

This ambition is reflected in our vision to revolutionize commerce by leveraging data and AI to digitize global supply chains, making them smarter, more efficient, resilient, and sustainable for everyone.

As supply chains evolve in real time, we see significant value in moving commerce from reactive and uncertain to proactive and predictive, fostering an interconnected ecosystem strengthened by data and technology.

Our principles—Leading with integrity

To deliver value, we embody our cultural values. As we reinvent supply chains for the future, one thing remains constant: our unwavering commitment to safety, ethical decision-making, and compliance in everything we do.

I'm proud that FedEx is consistently recognized as one of the most ethical companies in the world. Every day, our team members deliver our Purple Promise—to make every FedEx experience outstanding—responsibly, respectfully, and with integrity.

To advance these principles, we established a global AI governance team this year to manage risks and promote responsible use. And in our recent materiality assessment, we aligned our priorities with the topics that are most important to our stakeholders and the ongoing success of our business.

Our planet—Sensing opportunity, pursuing it responsibly

One area of importance to all our stakeholders is the health of our planet and communities worldwide. Our efforts to create a more efficient and profitable network align with our sustainability strategy as we reduce overlapping inefficiencies and deliver value for our stakeholders.

We set an ambitious goal of becoming carbon-neutral across our operations by 2040. We're using cutting-edge technologies to enhance the efficiency of our network and facilities, modernize and electrify our fleets, and harness alternative sources of energy.

These initiatives and more have helped us reduce our aviation emissions intensity by 30% from our 2005 baseline. We are taking this further by targeting a 40% reduction in aviation emissions intensity by 2034, also based on a 2005 baseline.

Network 2.0 is one of the largest efficiency initiatives we have undertaken in our 52-year history. Now in the third year of integrating our legacy express and ground networks in North America, we have optimized over 300 locations, giving us the opportunity to reduce our carbon footprint, streamline routes, lower our cost to serve, and enhance connectivity across our operations and teams.

We will continue to explore innovative ways to optimize our network, reduce our environmental impact, and run our business more intelligently, sustainably, and responsibly.

Our people—One team with one vision

Our more than 500,000 global employees are the heart of the FedEx ecosystem and the driving force behind our mission to deliver value.

One groundbreaking result of our collaborative, innovation-first culture is fdx—a pioneering e-commerce platform that leverages powerful FedEx network insights to help businesses optimize their supply chains—from streamlining fulfillment with near real-time shipping analytics to enhancing sustainability through carbon emissions data.

Innovations of this nature demand teamwork, determination, and expertise. We will continue to make significant investments to attract, reward, and nurture top talent while fostering a team that reflects the world we serve, the customers we collaborate with, and the communities in which we live and work.

A vision with value

For over fifty years, FedEx has helped move the world forward. We remain dedicated to making it better and brighter for all.

Our vision to make supply chains smarter for everyone amplifies our fundamental strengths—our unmatched global network, our legacy of innovation, and our renowned culture—to advance growth and progress now and in the future.

Throughout our history, FedEx has never waited for change; we create it. This spirit drives us to usher in a new era of global commerce—one enhanced by technology, defined through collaboration, and shaped with a steadfast commitment to delivering greater value in the world.

Raj Subramaniam
President and CEO

OUR PRINCIPLES

DELIVERING ON STAKEHOLDER EXPECTATIONS

Governance structure

At FedEx, we understand that integrating corporate responsibility principles into our company's strategic focus is essential to mitigating business risks, enhancing long-term financial performance, and delivering positive value for our business, customers, team members, and stockholders. These principles are woven into every component of the FedEx culture—from efficient resource management to connected support for all our team members, to the highest standards of business conduct. To help ensure these principles are part of our everyday operations, we align our sustainability approach with our mission, values, and long-term strategy.

The FedEx Board of Directors and its committees oversee enterprise corporate responsibility initiatives and programs, including reviewing and guiding our sustainability strategy, supervising corporate target setting, and monitoring progress towards our goals.

Our Board also provides oversight of environmental risks, including climate change. Further, our Chief Sustainability Officer (CSO) provides updates to the Governance, Safety, and Public Policy and Audit and Finance Committees of the Board in addition to developing, implementing, and managing our overall sustainability strategy and initiatives.

Our Board of Directors works to uphold the highest quality of corporate governance. The Board seeks in its members a blend of personal and professional experiences, perspectives, and backgrounds, as well as institutional knowledge and personal chemistry, resulting in a high-performing Board that provides sound and prudent guidance with respect to all of the company's operations and interests.

Our sustainability strategy aims to drive efficiency and opportunity. See the [Our planet](#) and [Our people](#) sections for more details on our environmental and social governance approaches.

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[Risk management and materiality](#)

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[Just transition](#)



The Board has four standing committees comprised entirely of independent members, each entrusted with oversight of specific corporate responsibility aspects.

- **The Governance, Safety, and Public Policy Committee** actively oversees our sustainability goals, strategies, programs, and disclosures, and management of our sustainability- and climate-related risks. This committee is also responsible for reviewing and discussing with management our safety strategies, policies, programs, and practices, and steps taken by management to identify, assess, and manage risks relating to the company's political activities and expenditures.
- **The Compensation and Human Resources Committee** reviews and discusses with our management team key human resource management strategies and programs.
- **The Audit and Finance Committee** is responsible for oversight of the implementation and effectiveness of the company's corporate integrity and compliance programs. Furthermore, it holds regular discussions with management on sustainability reporting and disclosures, including aligning financial reporting with sustainability disclosures, as well as internal controls and procedures related to those disclosures.

- **The Cyber and Technology Oversight Committee** reviews and discusses with management the company's cyber and technology-related risks, including network security, information and digital security, data privacy and protection, and risks related to emerging technologies such as artificial intelligence (AI) and machine learning. The committee also reviews aspects of the company's business continuity and disaster recovery capabilities and contingency plans.

In 2024, the Board and its committees oversaw key sustainable growth priorities, including upholding our commitment to safety and our People-Service-Profit cultural principles and values during the one FedEx transition. Our Audit and Finance and Governance, Safety, and Public Policy Committees have reviewed this report and discussed its contents with management.

Key links

[Board of Directors webpage](#)

[Corporate Governance Guidelines](#)

[Committee Charters](#)

[Sustainability | Investor Relations webpage](#)

[2024 Proxy Statement](#)

Risk management and materiality

Sustainable growth and risk management

Our Enterprise Risk Management (ERM) program establishes a unified framework for supporting consistency in the identification, reporting, and management of key risks across our business and value chain. Annually, we determine our core business risks through analysis of industry research, stakeholder engagement, surveys, and workshops and direct consultation with senior leadership. We classify risks into five groups—External, Strategic, Operational, Financial, and Technology—and prioritize them based on potential financial effects, the likelihood of occurrence within the next fiscal year, and the level of current controls in place to manage those risks.

The Enterprise Risk Council then meets to review the risk assessment results and validate top enterprise risks and emerging trends. Key enterprise risks are discussed with the Board and the Audit and Finance Committee at least annually, and any significant changes to these risks are reported to the Board and the Audit and Finance Committee. We embed short-, medium-, and long-term risk management into our strategic financial planning process and business decision-making.

FedEx also evaluates climate-change-related risks and opportunities as part of our annual assessment process. These include the potential for severe weather disruption, regulatory changes, and reputational risks as public awareness grows around the environmental impacts of our industry. We address these risks through proactive public policy and external stakeholder engagement and



by closely monitoring global social perspectives, geopolitical issues, and regulatory developments. We also implement a strategic approach to minimize the environmental impact of our operations as we work toward carbon-neutral operations. See the [Facilities](#) section for more details on our resiliency efforts.

Material topics and double materiality approach

FedEx conducts regular materiality assessments to help prioritize sustainable growth topics that are most important to our business and stakeholders. In FY24, we refreshed our assessment, which was informed by voluntary and regulatory reporting frameworks, including the European Sustainability Reporting Standards (ESRS).

Our double materiality assessment considered both the impacts our operations have on people and the environment (impact materiality) and how sustainability matters affect our development, performance, and financial position (financial materiality). We expect to refresh these results on an annual basis.

During the assessment, we conducted desktop research, consulted internal stakeholders, and engaged external stakeholders to identify, evaluate, and prioritize related impacts, risks, and opportunities (IROs) across our value chain. Engaging key stakeholders enabled us to help ensure the list of IROs was complete and accurate, the assessment of IROs was appropriate, and the conclusions reached

were reasonable. Through this double materiality assessment, we are best able to understand our impacts, proactively mitigate risks, pursue opportunities, and manage key topics relevant to our global business and value chain.


The results reconfirmed our continued efforts to focus on areas such as climate change, energy use, working conditions, business conduct, and effective management of supplier relationships. We look forward to leveraging learnings from this process to enhance upcoming assessments and our strategy.

Key links

[2024 CDP Corporate Questionnaire > Modules 2 and 3](#)

Corporate integrity and compliance

Our commitment to integrity and compliance fosters trust and reliability with our customers, team members, and the communities we serve. The Corporate Integrity and Compliance department, led by our Chief Compliance Officer, oversees our ethics and compliance programs and works with stakeholders inside and outside the enterprise to help ensure operations are conducted with integrity. We implement a risk-based approach to prevent, identify, and mitigate compliance risks common within the transportation and logistics sector as well as risks unique to FedEx. We routinely review and update our policies and programs to align with global standards and emerging regulations.



2025 WORLD'S MOST
ETHICAL COMPANIES[™]
ETHISPHERE
3-TIME HONOREE

Ethisphere recognized FedEx as one of the **2025 World's Most Ethical Companies®**, our third consecutive year achieving this accomplishment

FedEx Code of Conduct and global compliance policies

Our FedEx Code of Conduct (Code) publicly states our stance on ethics and compliance and reminds us why reliability and trust are important to our company, customers, and stakeholders. The Code outlines the legal, ethical, and behavioral expectations we mandate for all team members to uphold across our global operations. The Code applies to all FedEx officers, directors, managers, and employees. It also applies to members of the FedEx Board of Directors when acting in their roles as Board members or in any other capacities related to FedEx. Certain sections also apply to third parties providing services on behalf of FedEx.

In 2024, we developed a stand-alone Human Rights Policy to reinforce our commitment to protecting and advancing human rights across our global operations and value chain. We have zero tolerance for the use of illegal child, compulsory, or forced labor and strictly prohibit human slavery and trafficking

within our operations. We provide fair wages, comply with applicable wage-and-hour laws in the areas where we operate, and require all team members to communicate any suspected violations of human rights. We also do not tolerate discrimination, harassment, violence, or bullying based on any characteristic protected under national, state, or local laws. We hold our third-party contractors and suppliers to these same standards.

We provide a comprehensive set of compliance resources on our Corporate Integrity and Compliance website, including global policies, guidelines, and resources.

Integrity and compliance education and training

FedEx is one of the world's most trusted and admired companies because of the dedication of our team members. We provide employees with accessible and clear ethics and compliance education to mitigate potential risks and deter non-compliance. Our Corporate Integrity and Compliance department oversees these trainings to ensure they are accurate, effective, up-to-date, and accessible to all employees across the globe. These trainings cover topics such as anti-corruption, antitrust, conflicts of interest, and data privacy, as well as compliance behaviors and responsibilities related to our culture values, the Code, and compliance policies.

In 2025, we updated our Code training course, which covers essential integrity and compliance policies and incorporates key themes such as respect, trust, legal compliance, raising concerns, and non-retaliation.

In the spring of 2025, we expanded our established program of holding regional and subsidiary Compliance Week events and held our first annual enterprise-wide global Compliance Week, which offered live, interactive risk-mitigation education through a virtual conference platform.



366
languages offered for
risk-based compliance training
to all employees worldwide

Guided by a strategic communication plan, our team communicates elements of our Code and compliance principles through regular, enterprise-wide emails, newsletters, videos, and digital signage. We provide FedEx managers with a compliance toolkit, which includes resources like our Ethical Leadership Guide, to communicate best ethics practices to their teams.

Every year, we administer a Code of Conduct Questionnaire for officers, directors, and senior managers to gauge their awareness of and compliance with the Code. We also conduct a comprehensive, company-wide integrity survey for all employees every other year. This survey helps us evaluate the effectiveness of our compliance program and highlights where we may adjust our approach as needed.



Speaking up

We have an open-door policy at FedEx, which means any team member can speak with a manager, human resources, or a legal representative at any time to report known or suspected legal, policy, or ethical violations. Our confidential 24/7 FedEx Alert Line call center and web portal are also available for reporting concerns and are accessible in over 35 languages. In addition to our team members, these reporting mechanisms are available to third parties, business partners, customers, and community members who wish to flag concerns. FedEx prohibits retaliation against those who report violations in good faith, and we investigate any violation of policy, procedure, or law. Proven violations result in tailored discipline or other remedial measures, up to and including termination.

In FY24, we received more than 18,700 reports from team members, customers, and the public concerning employee relations, safety and security issues, and other corporate integrity matters. We used coaching, discipline, training, and termination of employment as appropriate to remedy situations.

We also track and celebrate team members’ positive compliance actions, achievements, and metrics to encourage value-based behavior through our Integrity Champions program.

Assessing integrity and compliance risk

We conduct integrity and compliance risk assessments to evaluate core risks across the enterprise. These assessments include global collaboration with team members and leadership to identify and prioritize risks and facilitate strategic planning to manage any identified risks. We present the results of risk assessments to executive management and the Board’s Audit and Finance Committee. We also distribute employee questionnaires to identify violations or potential control deficiencies in our major compliance risk areas.

Key links

- [Corporate Integrity and Compliance website](#)
- [Code of Conduct](#)
- [Supplier Code of Conduct](#)
- [Human Rights Policy](#)
- [Global Antitrust and Competition Law Policy](#)
- [Policy Prohibiting Trafficking in Persons](#)
- [Global Conflicts of Interest Policy](#)
- [Global Gifts and Entertainment Policy](#)
- [Global Anti-Corruption Policy](#)
- [FedEx Alert Line](#)
- [Global Privacy Policy](#)
- [Social Media Guidelines](#)
- [2024 Proxy Statement](#)



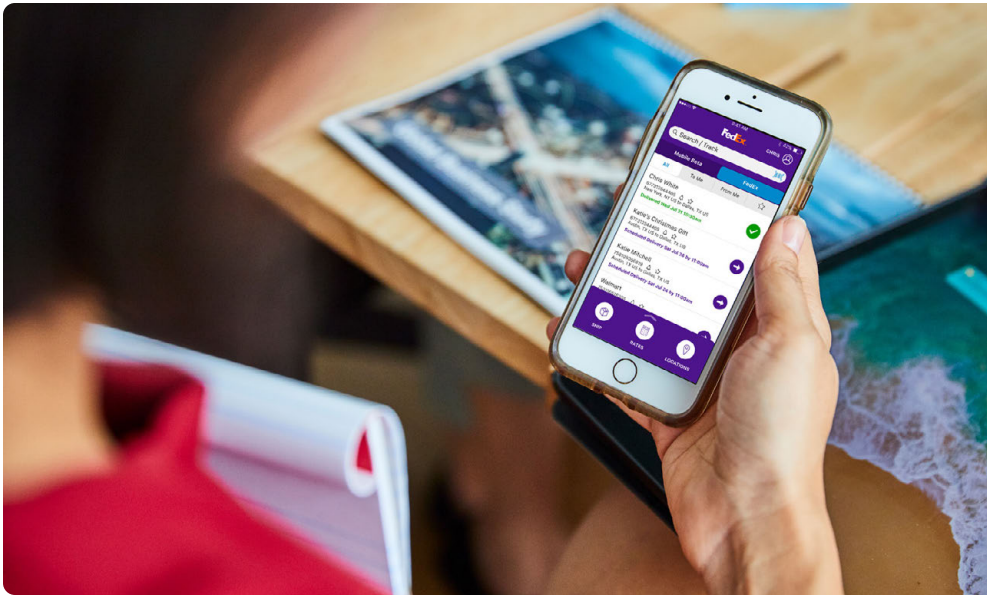
Cybersecurity and data privacy

It is essential for FedEx to secure our digital environments against threats to uphold the trust of our stakeholders and enable business continuity. The Board’s Cyber and Technology Oversight Committee routinely reviews and discusses with management our cyber- and technology-related risks. Our Information Security (InfoSec) team audits our projects to assess information security compliance while our Global Privacy Office evaluates compliance of FedEx practices and policies with relevant privacy regulations. Additionally, our Internal Audit team regularly assesses the effectiveness of our information security and privacy controls and programs.

Responsible use of AI

FedEx is committed to the responsible use of generative AI to help drive workplace efficiencies. In FY24, we created a global AI governance team to manage risks and monitor compliance with relevant regulations. The Cyber and Technology Oversight Committee reviews and discusses with management the incorporation of AI into our operations, services, and strategies, along with related risks.

In FY24, we implemented an enterprise-wide AI policy that defines principles, applicable regulations, and internal roles to promote the ethical and lawful use of generative AI. Using these guidelines, our Data Privacy and Legal teams work with InfoSec and FedEx Dataworks to manage AI requests. With support from FedEx Dataworks, our teams also use a secure, internal AI tool, GenAIHub, for operational process efficiencies and to create accessible applications for team members across the enterprise. We are working



to create a unified data enablement team to make data collection consistent and accessible across our operations. We continue to review and update our policies to align with emerging regulations, and we implemented additional measures to support our mandatory compliance program in FY25.

Cybersecurity and data privacy education and training

To best equip our team members for responding to threats, we conduct annual mandatory information security, data privacy, and incident reporting training. We also periodically organize online safety training exercises focused on phishing education and strong password and coding practices.

In FY24, we revised our data privacy training to incorporate a risk-based data breach module, including steps on how to properly identify and report a data breach. We also updated our personal data incident response procedures to better delineate roles and responsibilities of internal stakeholders, align incident response processes between various stakeholder incident response playbooks, and streamline reporting incidents to proper regulatory bodies.

We conducted multiple cybersecurity simulations in FY24, ranging from high-impact ransomware events to contained data breach events. Members of the Cyber and Technology Oversight Committee participated in one of these simulations. The worldwide FedEx Information Security Management System has earned the International Organization for Standardization (ISO) and International Electrotechnical Commission (IEC) 27001:2022 Information Security Management certification, demonstrating our continued commitment to top-tier information security practices.

We extend our cybersecurity and data privacy trainings to business partners and affinity groups, such as the FedEx Culture Ambassadors and Cybersecurity Champions. Additionally, our [FedEx Trust Center](#) website provides customers with guidance on how we safeguard their privacy and how to facilitate personal data requests.

Key links

- [Global Privacy Policy](#)
- [FedEx Privacy Notice](#)
- [Cyber and Technology Oversight Committee Charter](#)
- [Binding Corporate Rules for Customer, Supplier, and Vendor Data](#)
- [FedEx Trust Center](#)
- [Information Privacy webpage](#)

Public policy and advocacy

FedEx actively participates in the political process with the goal of promoting and protecting the economic future of our customers, team members, investors, and businesses. The Board’s Governance, Safety, and Public Policy Committee oversees our political activities and expenditures.

The Government and Regulatory Affairs department, which reports directly to our Executive Vice President, General Counsel, and Secretary, evaluates global public policies and political and legislative trends to identify potential risks and opportunities. Through annual collaboration with senior business leaders, this department establishes action plans and strategies that align with our long-term priorities.

Globally, our Government and Regulatory Affairs department supports public policies that foster free trade by reducing barriers to trade between countries and territories, and within the transportation industry. Through this lens, we advocate for policies specifically related to workforce development, information security, tax, aviation, autonomous delivery technology expansion, truck decarbonization regulations, electric vehicle (EV) charging infrastructure, and alternative and sustainable aviation fuels.

The Government and Regulatory Affairs department also oversees direct and indirect political spending and engages with trade associations and tax-exempt organizations. Through these engagements, we have the potential to increase financial performance, strengthen stockholder value, and support the best interests of our employees.

We prioritize engagement on policy issues with long-term significance to FedEx and alignment to our corporate values, noting that participation as a member of various trade associations comes with the understanding that we may not always agree with every position of the organization or other members of the organization. See our [Policy on Political Contributions and Public Policy and Advocacy](#) webpage for more details on FedEx activities, including our engagements with policymakers and trade associations.

Climate advocacy

We support pragmatic and well-designed policies that result in a more sustainable future for the transportation and logistics industry. We work towards effective climate policy by lobbying with various government and industry organizations and directly engaging with policymakers in support of our carbon-neutral operations goal. Through these efforts, we hope to help create innovative and sustainable solutions within the transportation sector.

Key links

- [Policy on Political Contributions](#)
- [Public Policy and Advocacy webpage](#)
- [Policy Perspectives webpage](#)
- [Investor Relations website](#)
- [Governance, Safety, and Public Policy Committee Charter](#)
- [2024 CDP Corporate Questionnaire > Modules 4 and 5](#)

Supply chain

We rely on a network of approximately 100,000 direct suppliers to maintain our global operations—90% of which are small- and medium-sized businesses. We manage and mitigate critical risks in our supply chain by implementing robust policies and governance processes, which are overseen by our FedEx Supplier Management team.

The purchases FedEx makes from suppliers stimulate follow-on business activity across national and local economies, including each vendor’s revenues, employment, taxes, and capital investments. FedEx indirect contributions to total worldwide net economic output reached an estimated \$39 billion in FY24, a 10% increase over our indirect contributions in FY23, according to analysis from Dun & Bradstreet. Additionally, this analysis showed that in 2023, FedEx supported an estimated 730,000 jobs at our supplier companies, including approximately 400,000 small business jobs.

Supplier Code of Conduct

We strive to uphold appropriate working conditions throughout our supply chain. The [FedEx Supplier Code of Conduct](#) outlines the specific expectations and guidelines we have for our suppliers, and acknowledgement of these principles is included in key managed supplier contracts. We expect all suppliers to commit to the principles and standards included in the Supplier Code.



ADVANCING FEDEX

Small Business Grants Program

We launched our Small Business Grants Program in 2012 to recognize innovative entrepreneurs and provide funding to help accelerate their growth. Since then, FedEx has offered versions of the program in the U.S., Canada, Latin America and the Caribbean (LAC), Europe, and Asia-Pacific (APAC). In FY24, we awarded \$230,000 in prizes to 10 small businesses in the U.S. The program has since been retired.



Sustainability integration in our supply chain

Throughout our procurement process, FedEx screens key managed suppliers against our standards for environmental and social sustainability. We work closely with our suppliers and internal stakeholders to advance our corporate responsibility goals throughout the value chain, focusing on sustainability. For example, we are investigating opportunities to engage with priority suppliers to develop sustainability action plans. Further, the transition to one FedEx enables us to align our sustainable sourcing metrics and goals across the enterprise to broaden our impact.

We are founding members of the Sustainable Purchasing Leadership Council and continue to be an active member of their Strategic Advisory Committee. We follow ISO 20400 guidance for corporate-responsibility-related metrics surrounding our sourcing practices across the enterprise and regularly request information from key managed suppliers to understand and plan for potential sourcing risks.

Support for small businesses

Sourcing from small suppliers increases the resiliency of our supply chain and enables us to better serve our customers. The extensive FedEx network is a vital part of the global supply chain for small businesses and a key distribution network for these companies. At the same time, we directly enable small business suppliers to grow their own operations through our annual spending.

Small businesses also fuel economic growth and are essential to the overall health and financial well-being of communities. Through FedEx Cares, we empower entrepreneurs from all backgrounds with the training, connections, and capital they need to compete in the global marketplace.

Some of our initiatives include:

- **FedEx E-Commerce Learning Lab:** FedEx teamed up with Accion Opportunity Fund to help small business owners develop or grow their e-commerce presence through the Learning Lab. Now in its fourth year, the program has reached more than 5,700 business owners with workshops, webinars, coaching, and fulfillment support, and awarded over \$1 million in small business grants.
- **Inner City Capital Connection:** Since 2017, FedEx has supported 11 cohorts in Memphis and Dallas through this program, helping more than 600 businesses raise \$41.5 million in new capital, increase revenues by 119% on average, and create over 900 new jobs.
- **FedEx Entrepreneur Fund & Boost Camp:** Through this program developed with Hello Alice and the Global Entrepreneurship Network, FedEx helped provide \$600,000 to 60 small businesses owned by military veterans and/or entrepreneurs with disabilities. Small business leaders are also invited to participate in the FedEx Boost Camp for monthly coaching, workshops, and mentoring.

Key links

[Supplier Code of Conduct](#)

[Global Economic Impact Report](#)

[FedEx Cares Report](#)



ADVANCING FEDEX

Delivering for Good

FedEx not only supports small business growth, but also enables resilience and recovery when disaster strikes. Powered by the U.S. Chamber of Commerce Foundation, our Readiness for Resiliency program is a safety net for small businesses, helping them to prepare for disasters while also providing a \$5,000 grant to eligible businesses if a disaster hits their area. Beyond small businesses, FedEx also supports the Community Port Resiliency Program in LAC, helping airports to re-open quickly, restoring trade and commerce, and enabling relief agencies to bring in lifesaving medicines, materials, and equipment.

Through these [Delivering for Good](#) initiatives, we come to the aid of people around the world when they need it most. We support best-in-class humanitarian aid nonprofits and use our expansive network to quickly deliver lifesaving and complex shipments that benefit our communities in times of disaster and crisis.



Just transition

Our goal of achieving carbon-neutral operations and our overall climate change strategy offer significant opportunities for creating value for our stakeholders. The innovative solutions we are developing have the potential to generate ongoing employment opportunities, enhance our customers' environmental performance, and improve living standards in the communities where we operate. However, we are aware of the potential challenges we may face on this journey and in the broader transition to a low-carbon economy.

FedEx recognizes the importance of a just transition and seeks to ensure the benefits of a low-carbon economy are shared across all the communities in which we operate. Our purpose is to connect people and possibilities; therefore, it is essential we work with multiple stakeholders to co-create and scale the most promising climate solutions. We support the just transition within our own operations by communicating with and offering our employees comprehensive benefits and providing trainings on necessary skills for a lower-emissions world, such as driving EVs. See the [Our people](#) section for more information.

FedEx has a history of community engagement and stewardship through FedEx Cares. We collaborate with local communities, non-governmental organizations, and conservation leaders to accelerate sustainable solutions, serving a wide range of stakeholders. See the [Our planet](#) section for more information on this engagement and stewardship. We highly value consistent and robust dialogue with those affected by the low-carbon transition and seek to balance the interests of a wide range of internal and external stakeholders.

While there are persistent challenges associated with the transition to a low-carbon economy, we believe our efforts have the potential to make a positive change.

Key links

[FedEx Cares website](#)

[FedEx Cares Report](#)

OUR PLANET

DELIVERING A SUSTAINABLE FUTURE

Environmental governance structure

We are committed to helping businesses of all sizes reach more customers efficiently and sustainably. Looking ahead, we believe that creating an even more connected and sustainable future will strengthen FedEx for team members, customers, suppliers, and communities around the world.

This commitment is reinforced through strong oversight and strategic guidance at the highest levels of our organization. The Board's Governance, Safety, and Public Policy Committee oversees our environmental sustainability goals and strategies, in addition to our sustainability- and climate-related risks. Additionally, the Board's Audit and Finance Committee provides oversight related to sustainability reporting and disclosures within the financial reporting framework.

The FedEx Sustainability Leadership Action Committee (SLAC) is responsible for our operational and commercial environmental sustainability strategy. The SLAC facilitates progress against our goals and works to integrate further efficiencies into our operations. The SLAC is chaired by our CSO and comprised of cross-departmental senior management representatives throughout the enterprise. Our CSO oversees our Sustainability Impact Teams (SITs) as they coordinate initiatives, business planning, and engagement with departments across the enterprise. Additionally, our CSO is responsible for the implementation of our enterprise-wide Environmental Management System, which outlines our processes and practices to reduce our impacts, improve efficiencies, drive value, and maintain compliance with relevant laws and regulations.

In this section

[Environmental governance structure](#)

[Letter from the CSO](#)

[Our environmental milestones](#)

[Strategic approach to climate change](#)

[Air operations](#)

[Surface operations](#)

[Facilities](#)

[Sustainable customer solutions](#)

[Select sustainability initiatives across the globe](#)

Key links

[Environmental Policy](#)

[Sustainability website](#)

[Governance, Safety, and Public Policy Committee Charter](#)

[2024 CDP Corporate Questionnaire > Module 7](#)

Letter from the CSO

Effective sustainability leadership is guided in equal parts by the past, the present, and the potential of the business. FedEx has long understood the correlation between the reduction of our environmental impact and strong business practices—well before sustainability became a business imperative for companies across sectors and geographies. I am fortunate as the company's second chief sustainability officer to stand on the strong foundation established by my predecessor, Mitch Jackson, and build upon the environmental milestones we've achieved.

This report highlights advances across our business, demonstrating continued progress toward our 2040 goal of carbon-neutral operations, focused on our operations accounting for 86% of our overall emissions footprint. In FY24, we saw a 6.1% year-over-year (FY23 to FY24) reduction in Scope 1 emissions. In aviation specifically, our Scope 1 emissions from jet fuel consumption decreased by 4.9% year-over-year, largely stemming from our air operations efficiency initiatives, including our fleet modernization program.

6.1%

year-over-year reduction in Scope 1
emissions from operational efforts in FY24

While taking a moment to acknowledge these accomplishments, we also see a challenging road stretching ahead of our goal of carbon neutral global operations by 2040. Take, for instance, the market for sustainable aviation fuel (SAF). In 2025, we began to take delivery of over three million gallons of blended SAF at the Los Angeles International Airport (LAX). While this agreement marks a positive step forward towards our alternative aviation fuel procurement goal, the fact that less than 1% of all jet fuel produced in 2024 was SAF also reminds us of the market's limitations and the incomplete solutions available for aviation emissions.

Our strategy to “decarbonize what’s possible, co-create with purpose, and neutralize what’s left” accentuates the inevitability that, even after prioritizing operational emissions reductions, our industry will not have all the solutions needed to eliminate emissions in their entirety.

This reality is why FedEx is vocal about the need for high-integrity carbon credits in both voluntary and regulated markets. Our support of the Yale Center for Natural Carbon Capture enables world-class scientists to research and deploy durable carbon removal techniques that harness the Earth's existing processes. Already within four years of the Center's founding, these nature-based solutions—with their co-benefits for communities and project stakeholders, such as farmers—are attracting additional research

dollars, interest from policymakers, and investment from private sector actors that want to be confident that credits substantiate carbon being removed from the atmosphere for the long term.

A new chapter in the history of FedEx is currently unfolding, anchored in a vision of making supply chains smarter for everyone. In parallel, we face an evolving regulatory landscape, including new mandatory reporting requirements and opportunities to continue enhancing the information we disclose. This year, we were able to expand our emissions inventory with supplemental quality data, which contributes to the increase in our reported Scope 3 emissions year-over-year.

Amid all these changes, one thing is certain whether you are reading this report as a FedEx investor, customer, team member, or other key stakeholder: you have our team's commitment to continue being transparent, innovative, and diligent in our pursuit of solutions that enable the sustainability of both our business and planet.



Karen Blanks Ellis

Chief Sustainability Officer and Vice President,
Environmental Affairs



OUR ENVIRONMENTAL PROGRESS

From ambitious goals to impactful actions, we take pride in our long history of creating business value and driving environmental efficiencies.



Air operations



Facilities



General sustainability



Packaging



Surface operations



Established the **FedEx Packaging Lab** to drive durable and sustainable packing solutions

Participated in the **Department of Energy's CleanFleet project**, which piloted alternative fuel vehicles in Los Angeles, California—including **our first EV**

Launched multi-year initiatives to **reduce the impact of FedEx-branded packaging**, balancing performance with environmental benefits

Launched our **reusable, legal-sized overnight envelope**



Introduced the very first hybrid electric PUD vehicles, becoming the **first delivery company to use hybrid vehicles**

Deployed our **first electric ground support equipment and chargers** in Los Angeles, California

Became a charter member of the **U.S. Environmental Protection Agency's (EPA) SmartWay initiative** to help advance supply chain sustainability

Introduced the **first all-electric Federal Express parcel delivery truck** in the U.S.

Completed our **first non-U.S. on-site solar energy installation** in Cologne, Germany

Launched the **EcoDrive training in APAC** to help improve fuel efficiency by changing the daily driving habits of hundreds of FedEx drivers



Published our **inaugural sustainability report** and set our first sustainability goals

Received **ISO 14001 certification** for the first time at facilities in the United Kingdom

Launched the **Fuel Sense program**, which has led to the implementation of 70 fuel-saving projects, resulting in over 983 million gallons of saved jet fuel and over 9.6 million metric tons of avoided carbon dioxide-equivalent (CO₂e) emissions to date

Introduced an **emissions calculator** to provide customers with estimated transport emissions for services provided by each operating company

Activated our **first on-site solar power system** at our Oakland, California Federal Express hub—a 904-kilowatt rooftop solar array which won the EPA's Green Power leadership award

Met our goal of a **20% reduction in aircraft carbon dioxide (CO₂) emissions** compared to a 2005 baseline nine years early

Opened the **largest "green roof" of any U.S. airport** at our Chicago, Illinois O'Hare location

Received our **first Leadership in Energy and Environmental Design (LEED) certification** at our Federal Express facility in Las Vegas, Nevada, which was followed closely by a LEED Gold certification at our Federal Express global headquarters in Memphis, Tennessee

At the time, opened **one of the most energy efficient data centers in the U.S.**, located adjacent to the FedEx Rocky Mountain Tech Center in Colorado Springs, Colorado.

Deployed our **first electric delivery tricycles** in Paris, France

Opened **carbon-neutral European headquarters** in the Netherlands



Met our goal of a **20% improvement in vehicle fuel efficiency** compared to a 2005 baseline eight years early and revised goal to 30% by 2020

Introduced **global carbon-neutral envelope shipping** at no additional charge to customers

Began testing two **FedEx Freight tractors powered by liquefied natural gas-only engines**

Continued the modernization and efficiency improvement of our air fleet with the **retirement of our Boeing 727 fleet**



Collaborated with the Boeing ecoDemonstrator program to fly the Boeing 777 Freighter—the **first cargo aircraft to fly using biofuel in both engines**—and test emerging technologies, such as propulsion advancements and flight deck innovations

Met our goal of a **30% improvement in vehicle fuel efficiency** compared to a 2005 baseline three years early

Launched **FedEx Freight compressed natural gas fleet** and installed a fueling station



Operated our **first hydrogen fuel cell ground support equipment** in partnership with the Department of Energy

FedEx Office **opened LEED-certified headquarters** in Plano, Texas

Installed a **solid oxide fuel cell** at our FedEx Ground facility in Rialto, California

Opened **New York's first solar-ready business park**

Achieved a **44.5% improvement in vehicle fuel efficiency** compared to a 2005 baseline

Announced an ambitious goal to **achieve carbon-neutral operations globally by 2040** and helped establish the Yale Center for Natural Carbon Capture, with a **\$100 million** pledge, to help achieve this target

Issued the **first sustainability bond** by a North American transportation and logistics company

Introduced **FedEx Reusable Pak**, which cuts down on waste by allowing customers to return items or prepare their own shipments without additional packaging

Joined the **First Movers Coalition's Aviation Sector** working group

Launched **FedEx® Sustainability Insights** for customers and suppliers to calculate their estimated CO₂e transportation emissions

Received **ISO 14001 certification** at all U.S. airport sites

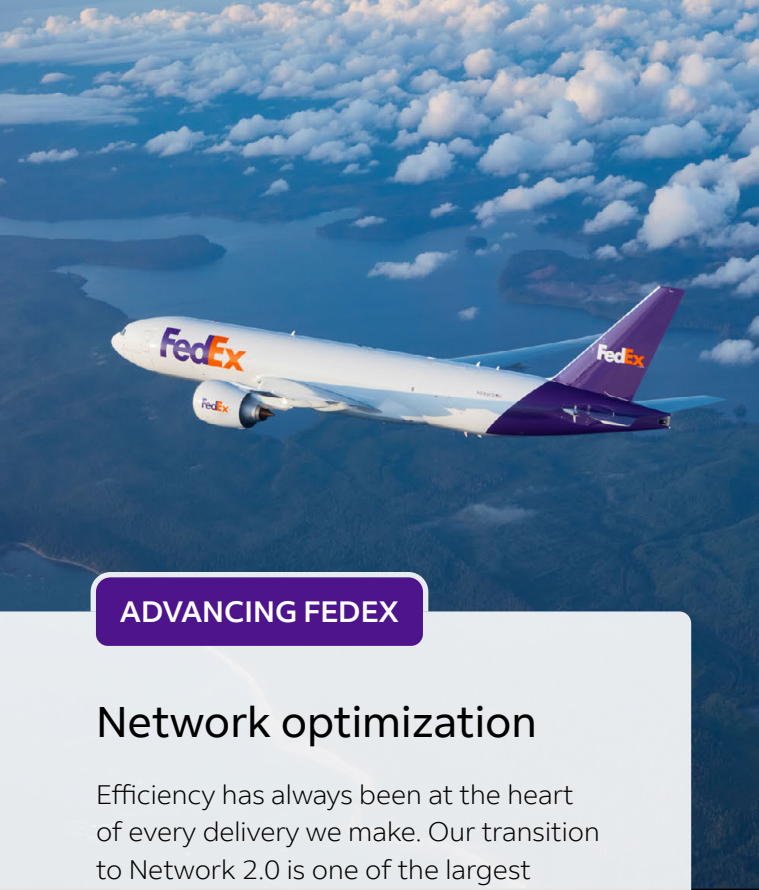
Retired our entire MD-10 fleet, a significant milestone in our aircraft modernization efforts

Established the **first solar-powered FedEx Office store** in California

Achieved a **31% reduction** in aircraft emissions intensity compared to a 2005 baseline

Exceeded 31,000 total megawatts (MW) generated by on- and off-site solar initiatives





ADVANCING FEDEX

Network optimization

Efficiency has always been at the heart of every delivery we make. Our transition to Network 2.0 is one of the largest efficiency efforts we’ve undertaken in our more than 50 years of serving customers. By merging our two largest operating companies, we are now redesigning our ground network through Network 2.0. This effort is designed to reduce our station footprint, increase PUD route efficiency, and optimize our enterprise linehaul networks. Additionally, Tricolor, the fundamental redesign of our air network announced in FY24, is enhancing the efficiency of the FedEx air network. We expect operational efficiencies realized from our transition to enable us to continue reducing our carbon footprint in the future.

Strategic approach to climate change

We play a crucial role in connecting people with possibilities across the globe, and doing so efficiently can drive cost savings, unlock new opportunities, and secure long-term sustainable growth. Connecting the world’s economies is also resource intensive, and the impacts our operations generate contribute to climate change through the emission of greenhouse gases.

In 2021, we set an ambitious goal to achieve carbon-neutral operations by 2040 across our global operations’ Scope 1 and 2 GHG emissions and our gross Scope 3 contracted transportation emissions. We also set interim targets across our main decarbonization levers including: parcel PUD EV purchases, aviation fleet emissions intensity and fleet retirement, and sustainable energy and fuel procurement to help us progress toward our carbon-neutral operations target.

Our strategic approach to achieving carbon-neutral operations by 2040 is built on three principles: 1) Decarbonize what’s possible, 2) Co-create with purpose, and 3) Neutralize what’s left. Our strategy guides us as we implement comprehensive, long-term actions and interim goals to achieve carbon neutrality in our own operations, as well as support the low-carbon transition of the broader transportation and logistics industry.

Key links

- Sustainability website
- 2024 CDP Corporate Questionnaire

Decarbonize what’s possible

As we strive to achieve our 2040 goal, we are first focusing on decarbonizing our operations by deploying proven technologies that reduce emissions, as well as continuing our long-standing efficiency programs. These efforts have a significant impact on our overall emissions, driving a 6.1% reduction in our Scope 1 emissions in FY24. They also enabled us to achieve our goal of a 30% reduction in our aircraft emissions intensity compared to a 2005 baseline. See the [Air operations](#) section for more details on our efforts to achieve this goal.

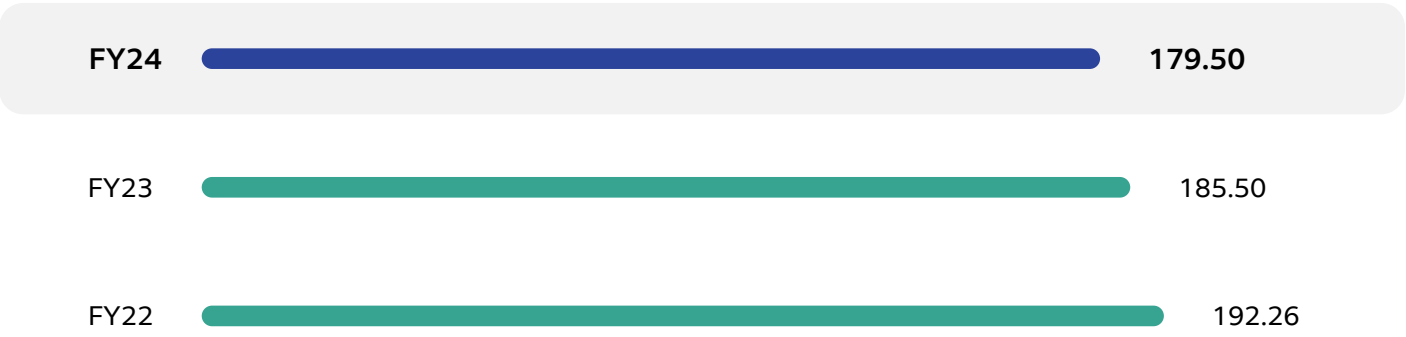
As our business continues to grow, our decarbonization efforts have driven year-over-year improvement in emissions intensity on a revenue basis. This means we have been able to decouple our business growth from our environmental impact. Overall, we reduced our Scope 1 and 2 CO₂e emissions intensity on a revenue basis by 58% between FY09 and FY24, while our daily package volume grew by an average of 121%.

Co-create with purpose

We recognize there are still sizeable gaps in the technology needed to effectively address climate change. Together with government agencies, nonprofits, industry partners, and technology innovators, we aim to co-create new solutions to help our business and our industry address these gaps.

For example, FedEx has a long history of working with original equipment manufacturers to ensure vehicles are designed to meet the needs of our network. As we implement Network 2.0, we aim to use fewer, larger vehicles to drive greater efficiency along our routes. This year, we participated in a pilot with the Shyft Group, testing Blue Arc electric trucks on last-mile delivery routes in Memphis. The goal was to test a vehicle with a much larger cargo capacity than the majority of commercial EVs currently in market. This pilot allowed our engineers to put new technology to the test in real-life, strenuous situations, including eight- to ten-hour routes. This experience enables us to collaborate, provide feedback, and share our expertise and marks a major milestone in the vehicle’s readiness for widespread commercial use.

Total Scope 1 and 2 emissions intensity (metric tons CO₂e/million U.S. dollars in revenue)



Neutralize what’s left

We understand that reduction alone will not be enough to reach our goal of carbon-neutral operations. In the latter part of the next decade, we will need to offset remaining emissions that cannot be fully reduced through technological innovations, particularly those associated with our air operations.

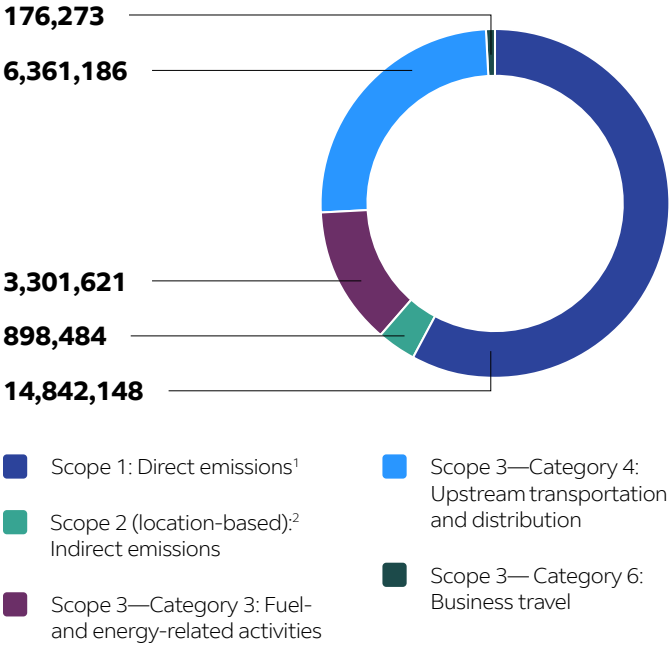
Anticipating future needs, in 2021, we committed \$100 million to establish the Yale Center for Natural Carbon Capture, empowering Yale scientists to rapidly advance research on nature-based, durable carbon dioxide removal (CDR) solutions. We believe that supporting a robust pipeline of solutions via the Center will help add future supply of carbon credits that are measurable, verifiable, and durable to both the compliance and voluntary marketplace. Already, Yale faculty and graduates are serving important roles with CDR start-ups, project registries, government and non-governmental organizations, and research institutions worldwide.

One of the most promising solutions for scalable CDR is enhanced weathering, which involves spreading finely ground alkaline materials— such as basalt rock—over agricultural fields. This method offers scalable and low-cost carbon removal with significant co-benefits, including reduced soil acidification, increased crop yields, and the potential to create meaningful income for farmers around the world. Today, Yale scientists are advising enhanced weathering agricultural project developers on how to measure and scale their projects, including Lithos, Silica, and Mati Carbon, and exploring how enhanced weathering can be integrated into industrial and agricultural processes, such as wastewater treatment and irrigation systems.

Enhancing footprint data collection

2025 marks our 18th year of disclosing our emissions in line with the GHG Protocol. With enhanced data collection and a new platform that increases our measurement capacity, we have expanded the completeness of our measured footprint, particularly with Scope 3 emissions. This year, we are reporting Scope 3, Category 3: Fuel- and energy-related activities, for the first time. Additionally, we added FedEx Logistics Air and Ocean transactions to our Scope 3, Category 4 emissions. We have also expanded Scope 3, Category 6 to include emissions associated with employee hotel stays and updated

FedEx emissions footprint FY24 (metric tons of CO₂e)



1 Total Scope 1 emissions include additional sources like fugitive emissions.

2 Our FY24 Scope 2 (market-based) emissions were 966,871 metric tons of CO₂e.

our employee air travel methodology to take fare class into account. These additions are largely responsible for the overall increase in our emissions reporting year-over-year. We are committed to further enhancing our emissions disclosures as quality data becomes available and will continue to share progress on this front.

Evolving our targets

FedEx recently committed to set a science-based target with the Science Based Targets initiative (SBTi). This effort builds on our goal to achieve carbon-neutral operations globally by 2040. We look forward to sharing further updates pending SBTi’s validation process. During this interim period, we will continue to work across our sector to find achievable solutions and intervening initiatives to support our carbon-neutral operations goal.

Expanding our climate risk management

This calendar year, we are conducting a climate risk and scenario analysis to identify, assess, and manage risks that could affect our operations, financial performance, and long-term resilience. As a result of this analysis, we will be publishing a climate transition plan that will outline our plans to address any potential risks identified. See the [Risk management and materiality](#) and [Public policy and advocacy](#) sections for more information.

Key links

- [Carbon Neutral Operations Goal Announcement](#)
- [Yale Center for Natural Carbon Capture Fact Sheet](#)
- [Yale Center for Natural Carbon Capture](#)



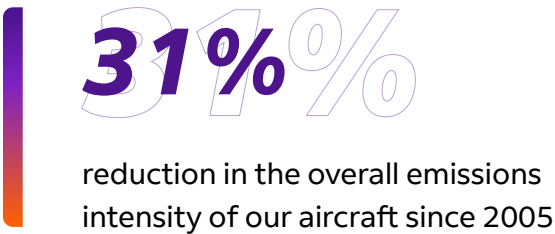
Air operations

Our owned aircraft operations are the largest contributor to our emissions footprint, accounting for about 80% of our Scope 1 emissions. Aviation fuel also represents one of our largest expenses. For more than a decade, we have actively deployed substantial resources to mitigate these impacts including fuel conservation, modernizing our air fleet, and sourcing cost-competitive SAF.

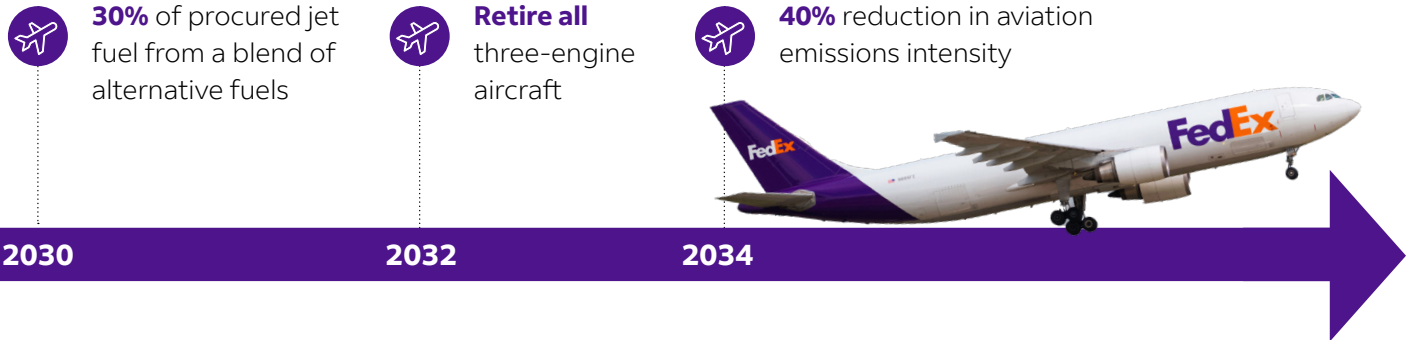
Through our modernization and efficiency efforts, we reduced Scope 1 emissions by 4.9% over the last year and avoided over 140 million gallons of jet fuel—equivalent to about \$400 million in cost savings. We are proud to announce that we achieved a 30% reduction in aircraft emissions intensity from a 2005 baseline. We first established this goal in 2008, with a target of a 20% reduction by 2020 from a 2005 baseline. After meeting that goal ahead of schedule, we later revised our target to a 30% reduction in emissions intensity by 2020. While the global increase in shipping volume generated by the COVID-19 pandemic delayed the retirement of certain aircraft and led us to fall short of that goal in 2020, we have now achieved this target.

The hard work of teams across our air operations demonstrates that innovative thinking alongside strategic investment can generate significant positive impacts. Simple ideas, such as reducing the use of auxiliary power units while planes are at the gate or designing lighter-weight cargo containers saved us fuel and time and reduced emissions. Larger, complex efforts, such as working with the U.S. Federal Aviation Administration to optimize departure and arrival procedures, have also helped improve the efficiency of U.S. commercial air traffic. We are extremely proud of this accomplishment and its contribution on our journey to our 2040 goal.

Building on this achievement, we are introducing a new interim goal: 40% reduction in aviation emissions intensity from a 2005 baseline by 2034.



OUR AVIATION GOALS





Aircraft fleet modernization

Modernizing our fleet of more than 700 aircraft has been central to the significant progress we've made in reducing the impact of our air fleet. It minimizes GHG and other air emissions, improves fuel efficiency, reduces local noise pollution, lowers operational costs, and enhances network reliability. In FY24, we saved 130 million gallons of jet fuel and prevented over 1.2 million metric tons of CO₂e emissions through our aircraft modernization initiatives—equivalent to about \$370 million in savings.

In FY24, we reduced our Boeing 757F fleet from 115 to 92 aircraft. Our goal is to complete the third and final phase of our three-engine aircraft retirements in 2032. Looking ahead, we plan to take delivery of two Boeing 777F, 14 Boeing 767F, 10 ATR-72 600F, and 27 Cessna 408 aircraft between FY25 and FY26. In March 2025, we agreed to purchase eight new Boeing 777F aircraft, which will be phased in between FY26 and FY27. The integration of this new equipment will reduce our emissions per package-mile and shorten feeder routes.

FedEx Fuel Sense

Since the inception of the FedEx Fuel Sense program in 2006, we have implemented 70 fuel-saving projects and achieved an overall savings of 983 million gallons of jet fuel. This is equivalent to avoiding 9.6 million metric tons of CO₂e. In FY24 alone, we saved 11.1 million gallons of jet fuel—equivalent to a cost savings of over \$30 million.



As part of the Fuel Sense program, our Vertical Optimization initiative decreases fuel consumption by flying our fleet at higher altitudes, where low air density requires aircraft to expend less energy to propel forward. Additionally, our new Flight Optimization initiative provides fuel savings through real time route adjustments which consider fuel burn, arrival calculations, winds, weather, air space restrictions, and traffic conflicts. We also introduced an automated fuel-tracking system that uses innovative technology to replace paper fuel slips and streamline our fueling process. In FY24, these three initiatives alone saved 1.5 million gallons of jet fuel.

Sustainable aviation fuel

As we look to the future, SAF is a critical lever for further emissions reductions within our operations. In 2025, we began to take delivery of over three million gallons of blended SAF in our U.S. operations. In addition, we comply with SAF mandates in different regions around the world. To meet our goal of procuring 30% of jet fuel from a blend of alternative sources by 2030, we will actively work to help improve the world's supply of SAF, which is not nearly at the scale needed to meet the demands of the aviation sector.

We will continue to engage with industry, academia, non-governmental organizations, and governments to address this gap. We are also members of the [First Movers Coalition](#) Aviation Sector working group to help advocate for increased production and signal market demand for emissions-reducing fuel technologies in the industry. Additionally, we are members of the International Air Transport Association's SAF registry.

Key links

[Our Approach | Sustainability webpage](#)

[Our Approach | Aircraft webpage](#)

Surface operations

Across FedEx, we aim to build a ground fleet that is efficient, sustainable, and tailored to meet our operational and customer needs. In selecting the ideal vehicle solution for each application, we carefully consider local regulatory requirements, manufacturing options, vehicle use, and operating and maintenance costs.

Emissions related to our owned and contracted vehicles account for about 25% of our total footprint. In FY24, we achieved 40% improvement in vehicle fuel efficiency compared to a 2005 baseline. Due to changes in the mix of vehicles needed as a result of Network 2.0 and other ongoing strategic initiatives, we do not believe we will be able to achieve our goal of a 50% increase in vehicle fuel efficiency by 2025. We continue to review and optimize our sustainability strategies regarding surface operations to determine our best path towards our goal of achieving carbon-neutral operations by 2040.

Electrification and alternative fuels present a significant opportunity to reduce the environmental impact of our global ground fleet further, which includes more than 200,000 motorized vehicles across several vehicle classes, including PUD vehicles, long-haul trucks, forklifts, airport ground services equipment, and other off-road vehicles.

Our transition to one FedEx has changed our fleet makeup and vehicle dispersion, bringing new opportunities. Our PUD EVs will need to be larger to accommodate the volume of packages we transport, which requires larger capacity batteries and higher energy usage to charge. We are focused on optimizing the efficiency of our routes by pairing the right vehicle with the right route to increase efficiency per package.

Pickup and delivery

The continued growth of e-commerce means that the electrification of our PUD fleet presents a significant opportunity to address last-mile emissions. Our owned and contracted PUD fleet accounts for about

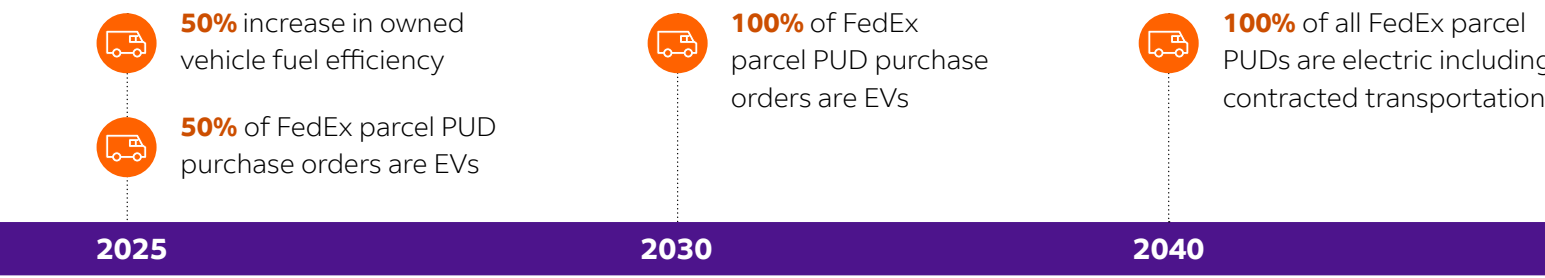
18% of our total emissions footprint. Electrification of PUDs also makes long-term sense for our business. In addition to reducing tailpipe emissions, we anticipate a considerable return on investment. Early analysis demonstrates that the costs related to electric PUDs are up to 30% less compared to their combustion engine counterparts. This number could increase as the cost to purchase EVs drops over time.

While we are in our transformation, we will continue to take a phased approach to electrification: 50% of all FedEx PUD purchase orders are targeted to be electric in 2025, and this is targeted to rise to 100% by 2030. Our goal is to transform our entire PUD fleet to all electric vehicles by 2040, including owned and contracted vehicles.

After concluding our executive-level review, we now anticipate meeting our 2025 goal, while continuing to work to fine-tune the size and makeup of our fleet. After a successful U.S. pilot,

we now have 150 Shyft Group Blue Arc trucks on order which introduce larger capacity EVs to our network. In FY24, we also continued to add EVs across international markets including Australia, Brazil, Canada, France, the Netherlands, New Zealand, Singapore, Spain, and the United Kingdom. Additionally, we added e-cargo bicycles and tricycles in Canada, Taiwan, and the United Kingdom in FY24.

OUR SURFACE OPERATIONS GOALS





Long-haul fleet

We are actively looking at a number of different solutions that both reduce the impact of our long-haul fleet and meet the higher mileage and timely refueling or recharging requirements that are essential to our long-haul operations. In 2023 and early 2024, we took delivery of 36 Class 7 and 8 heavy-duty EV trucks, and we plan to add 23 more in FY25. Additionally, in the United Kingdom and the Netherlands, we piloted eActros 300 electric tractors from Mercedes-Benz Trucks to test different vehicle specifications and sizes and better understand how these solutions can best be applied to our linehaul operations in Europe.

In the U.S., FedEx offers a blend of biodiesel to our independent service providers to help them access cost-effective solutions to reduce emissions. In recent

years, we've expanded our efforts to offer alternative drop-in fuels internationally. For example, in FY24, we refueled more than 170 tractor-trailer combinations in the United Kingdom with hydrotreated vegetable oil (HVO) after successful pilots in the United Kingdom and the Netherlands. The change to HVO will deliver certified lifecycle carbon emissions savings of at least 80% compared to diesel. Moving forward, we will continue to trial new solutions to evaluate the best options to reduce reliance of heavy goods vehicles on fossil fuels.

Charging infrastructure

As we electrify our vehicle fleet, the availability of adequate charging infrastructure at our facilities is a top priority. Our vehicles and facilities teams are collaborating with power utilities, government officials at all levels, and regulatory agencies to plot a path forward. As the

makeup and size of our fleet is changing, our charging infrastructure will also need to change. The enterprise is coordinating a collaborative strategy to expedite the transition to EVs for independent service providers while rolling out the correct essential infrastructure.

To implement the large-scale charging infrastructure required for our operations, we are collaborating closely with local utility companies and regulators to strategically plan for and meet the additional grid capacity challenges. For example, FedEx has donated over \$2.5 million since 2021 to help RMI develop GridUp, a state-of-the-art public grid planning tool. Launched in 2024, the tool is specifically designed to help policymakers, utilities, and regulators forecast energy and power demand from vehicle electrification, enabling proactive grid investments to support EV charging needs for fleet owners like FedEx.



While the growth in EV charging will lead to an increase in our electricity usage, we are investing in energy management systems and renewable energy generation and procurement to address this challenge. See the [Facilities](#) section for more information on these initiatives.

Key links

[Our Approach | Vehicles webpage](#)

[Advancing Climate Solutions | FedEx Cares webpage](#)

Facilities

FedEx operates more than 5,000 air and ground hubs, local stations, freight service centers, and retail locations. In FY24, emissions related to our facilities accounted for about 6% of our total footprint. Through effective energy and waste management, renewable energy procurement, and resiliency efforts, we are working to reduce the impact of our physical footprint, reduce costs, and meet customer demands.

As part of our journey to reach carbon neutral operations globally in 2040, we aim to source 100% of our facility energy from renewable sources. This year, we’ve introduced key interim targets to meet this goal. By 2028, we aim to source 500 gigawatt-hours (GWh) of energy from renewable sources, rising to 1,300 GWh by 2033.

Our transition to one FedEx and implementation of Network 2.0 will support our sustainability efforts through the minimization of operational redundancies and reduction in our overall physical footprint. We continue to work on unifying environmental management practices across

our operations and follow our [Environmental Policy](#) to integrate environmental stewardship into our daily operations and business decisions.

Energy and waste management

We are focused on responsibly managing our facility energy use and waste generation across our global operations. We utilize a variety of strategies to improve our performance including enterprise-wide programs, such as broad implementation of ISO standards and energy management systems, as well as inspiring our individual team members to identify innovations that drive real savings.

In FY24, FedEx sites across 26 countries and territories maintained compliance with the ISO 14001 environmental management system standard, highlighting our longstanding commitment to environmental sustainability. Additionally, we earned the ISO 9001 global certification for 30 consecutive years—a status never achieved before in the entire transport industry. This certification was awarded for our effective quality management system, which promotes efficiency by streamlining processes to improve resource management and reduce waste.

Energy management systems at our facilities also play a key role to optimize lighting and heating, ventilation, and air-conditioning (HVAC) equipment. In FY24, we invested \$7 million to upgrade our facilities with LED lighting retrofits and install newer, more efficient HVAC systems. We are also exploring technology that has the potential to significantly reduce the fan energy required at our commercial business operations. Since FY17, we reduced the energy consumption at participating FedEx Office stores by 47% through the implementation of energy management systems and LED lighting.

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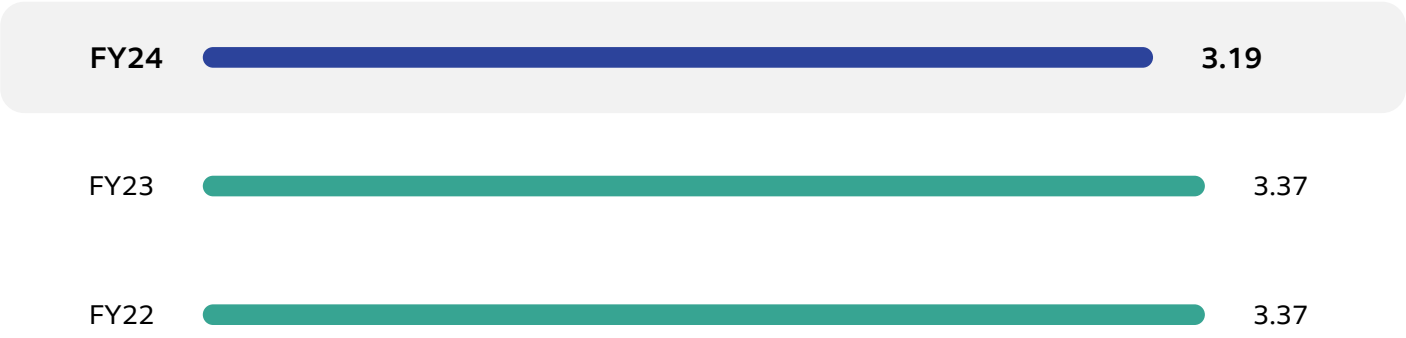
saved and 50M plastic bags prevented from entering landfills from reuseable bag implementation in FY24

We challenge our individual team members to find new ways to improve efficiencies and equip them with Quality Driven Management (QDM) tools to assist in identifying waste. QDM tools are designed to drive continuous improvement and, in many cases, successful ideas become integrated across our networks. For example, in FY24, a team piloted a project that introduced mesh reusable bags into the small package sort systems at our ground hubs. This initiative generated over \$20 million in savings and prevented 50 million plastic bags from entering landfills in FY24. In 2025, we will begin using these reusable bags at our Memphis hub and are looking to roll out the program globally.

We also integrate energy efficiency specifications and on-site renewable energy generation options into the design of new facilities, including principles from the LEED standard in the U.S. and the Building Research Establishment Environmental Assessment Method (BREEAM) standard in Europe. In FY24, our newly renovated headquarters in Shanghai, China received LEED certification as well as our new 1.3 million square-foot sorting facility at our Memphis Hub.



Total energy intensity (terajoules/million U.S. dollars in revenue)



Renewable energy procurement

We invest in both on- and off-site renewable energy generation and procurement of renewable energy. The pace of these investments is designed to grow in the coming years to address our increased electricity demands. Looking ahead, by 2028, we aim to source 500 GWh of energy from renewable sources, rising to 1,300 GWh by 2033. By 2040, our goal is source to all electricity used at our facilities from renewable sources through both on- and off-site arrangements.

In FY24, we completed contracts to produce approximately eight additional MWs of renewable energy across the U.S in FY25. Additionally, we generated over 31 GWh of on- and off-site solar energy at 34 locations around the world. While not all solar installed in our facilities directly powers our operations, it does increase the supply of renewable energy in the communities where we operate and, in many cases, leads to overall energy savings.

Multiple factors need to be considered when determining the viability of on-site renewable energy, including grid system design capabilities, differing real estate models and utility markets, facility leasing terms, and state and local renewable energy policies and incentives. At our leased facilities, we work closely with third-party solar companies that install or offer solar energy to tenants through partnerships with commercial landlords.

Facility resiliency

We are committed to embedding resiliency in our operations as the physical risks of climate change increase, causing extreme weather events, strain on electricity grids, and higher energy costs. We invest in infrastructure reinforcement to meet growing electricity demand and evolving renewable generation standards, in addition to mitigating the potential for storm damage. We also continuously enhance our contingency planning to address the impacts of severe weather more quickly. For example,

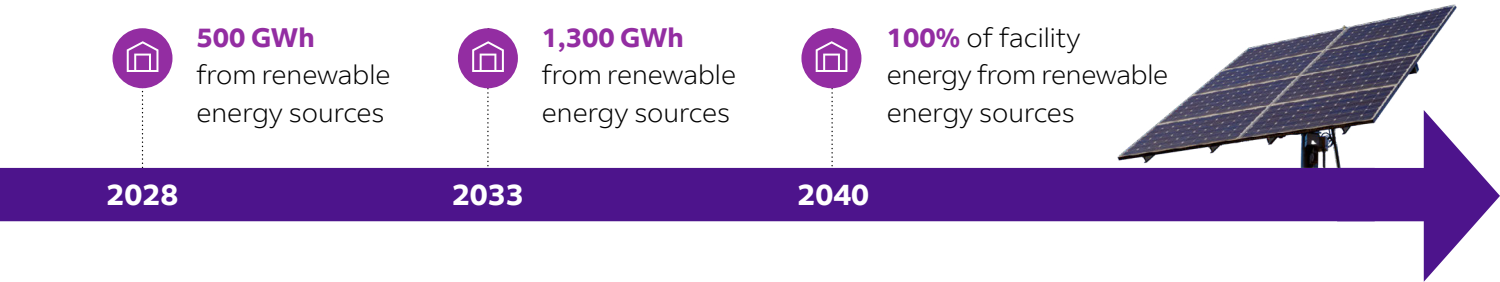
in February 2024, when a winter storm disrupted operations at our Memphis hub, we were able to leverage learnings from a similar storm the prior year to divert packages more efficiently. While the 2024 storm was twice as long as the one in 2023, we increased our volume processing speed by 50%. Our enhanced exiting plans allowed us to hand off over 2.2 million packages and 2.5 million pounds of freight during the weather event, helping secure customer trust. This effort is another example of how our teams deploy QDM tools effectively to remove waste and improve the sustainability of our operations.

We are also investigating innovative microgrid solutions for on-site energy generation that can be leveraged during outages. Our teams are installing natural gas generators, combined heat and power systems, and natural gas fuel cell technologies. In 2024, we added a second fuel cell to our Rialto, California facility, which, combined with other on-site generation technologies, will meet approximately 51% of the building’s electricity needs. We plan to install an additional natural gas generator at our Lehigh Valley, Pennsylvania facility in 2025.

Key links

- [Our Approach | Facilities webpage](#)
- [Environmental Policy](#)

OUR FACILITIES GOALS





Sustainable customer solutions

We are responsible for handling more than 17 million shipments per day, on average, and we recognize that transporting goods for our customers can lead to environmental impacts through emissions and waste generation. The solutions we offer can promote sustainable end-user consumer behaviors while meeting the needs of a growing e-commerce market and increasing consumer demand for sustainable products.

Sustainable packaging

We embed circularity principles into our package design to minimize our environmental impact while protecting shipments from damage and loss. Our more sustainable packaging choices, such as the resealable Reusable Padded Pak, give our customers more choice to reduce waste associated with their shipping and returns.

74%

of packaging materials from third-party certified sources in FY24

13,000+

customers have generated emissions reports through FedEx® Sustainability Insights since July 2023

To help ensure we are sourcing our packaging materials responsibly, we seek relevant third-party certifications and review these certifications bi-annually. The FedEx Sourcing team also conducts annual reviews of our critical supplier's environmental management practices and sustainability programs, including recommending improvement areas.

To help with broader adoption of circularity principles, FedEx and Pyxera Global launched the Circular Supply Chain Coalition to transform supply chains and scale the upcycling of rare earth minerals from consumer electronic waste and material with commoditized value. The initiative aims to establish and scale remanufacturing hubs, support local circular enterprises and entrepreneurs, and create high-skill job opportunities, setting a new standard for regenerative supply chains.

Customer sustainability insights

Our FedEx® Sustainability Insights tool provides customers and suppliers access to estimated CO₂e emissions data associated with eligible shipments in the FedEx network—from the individual package to account levels. This tool enables greater transparency for customers to inform their emissions reporting, understand their carbon footprint, and make informed decisions about their shipping patterns. Additionally, U.S.-based customers can forecast future emissions through predictive modeling capabilities.

Launched globally in FY24, FedEx® Sustainability Insights is currently translated into 34 languages and available in over 100 markets, including several in APAC and the Middle East, Indian Subcontinent, and Africa (MEISA), and all LAC markets. Since July 2023, over 13,000 customers have generated emissions reports from the tool, either directly on www.fedex.com or

with the help of their sales representative. Providing our customers with this level of information empowers them to gain a better understanding of their Scope 3 emissions generated from their shipping activities with us and to plan ahead for future improvements.

We are also working to make supply chains and shipping options smarter and more efficient for customers through AI and robotics technologies. For example, in FY24 FedEx launched a data-driven e-commerce platform, called fdx, to help businesses of all sizes across the U.S. manage end-to-end customer journeys. The platform's data-driven insights are designed to help businesses optimize fulfillment through near real-time shipping data, improve supply chain sustainability with carbon emissions data, and streamline product returns. Additionally, through FedEx Dataworks, we can provide estimated delivery dates so customers can request to reroute shipments or enable Hold at Location if they will not be available for a delivery, which can reduce missed delivery attempts.

Key links

[Sustainable Packaging webpage](#)

[FedEx® Sustainability Insights tool](#)

fdx.com

[FedEx Dataworks](#)

SELECT SUSTAINABILITY INITIATIVES ACROSS THE GLOBE

Mexico

Aircraft modernization

Introduced two ATR 72-600F aircraft, which are more fuel efficient and generate an estimated 45% fewer emissions compared to other similarly sized regional aircraft, according to the manufacturer.

Argentina

Sustainable packaging design

Joined Wines of Argentina in 2023 to promote the First Sustainability Forum of the wine industry in the country, where we presented our new, more sustainable wine packaging manufactured in Argentina with compact cellulose and recyclable materials.

Chile

Fuel efficiency improvement

Conducted a research project with the Energy Ministry of Chile, the Energy Sustainability Agency, and the Transportation and Logistics Center of the Andrés Bello University to show that using super-wide tires for tractors and trailers in place of double rolling single tires generates a 6% savings in fuel consumption and a 6% improvement in fuel efficiency. Currently, FedEx has installed wide tires on 50 tractors and 80 trailers, equivalent to roughly 50% of the linehaul fleet in Chile.



United Kingdom

E-bike deployment

Introduced eight new model e-cargo bikes to Greater London in 2024, which are anticipated to replace six conventional diesel vans and avoid an estimated 48,500 pounds of CO₂ emissions per year.



China

LEED Certification

Opened new Shanghai headquarters with LEED Gold certification.



Thailand

Reducing waste with circularity

Collaborated with N15 Technology in 2023 to convert over 250 pounds of waste, such as plastic wrap, label stickers, and paper cores, into refuse-derived fuel.

Singapore

Sustainable facility design

Opened APAC headquarters with about 80% of new materials meeting local certification standards. Additionally, the building features energy-efficient electrical fixtures and automatic lighting controls to reduce energy consumption.



Malaysia

Cross-border EV delivery

Set a record for successful cross-border delivery of a package via an EV from Malaysia to Singapore. This milestone proof-of-concept journey was 252 miles and avoided approximately 220 pounds of tailpipe CO₂ emissions when compared to making the same journey with a diesel-powered van.

Spain

Solar power generation

Opened a refurbished gateway at the Adolfo Suárez-Madrid Barajas Airport, which includes a 156-panel solar array that is estimated to produce approximately 95 megawatt-hours of electricity annually, or about 17% of the facility's energy needs.

OUR PEOPLE

DELIVERING ON OUR CULTURE

Social governance structure

Our team members are critical to our success, and it is important that they uphold FedEx values to maintain our strong reputation and cohesive culture. Management works with our Board of Directors to promote alignment of our corporate strategy with our culture values and behaviors.

The Board's Compensation and Human Resources Committee oversees our key human resource management strategies and initiatives. The Governance, Safety, and Public Policy Committee oversees our safety strategies, policies, programs,

and practices. We strive for proper safety management across all operations by using the FedEx *Safety Above All* philosophy to guide our policies and programs.

Our human resources team manages a variety of social initiatives, including career development, training, health, well-being, and team member engagement. As part of the transition to one FedEx, we are working to harmonize our social governance structures across the enterprise at the management level to improve team collaboration and enable more effective sharing of knowledge, resources, and strategies.

In this section

[Social governance structure](#)

[Human resource management](#)

[Our culture and people](#)

[Health and safety](#)

Human resource management

Our outstanding global human network is a reflection of our strong business identity and reputation. FedEx uses effective recruiting processes to attract top-tier candidates, and our periodic labor practice audits assess conformance with regulatory requirements. We strive to retain our talented team members through engagement opportunities, competitive wages, comprehensive benefits, flexible scheduling, and a wide range of career development programs.

Talent acquisition

Our hiring strategy is data-driven and centered around recruiting a unified, skilled workforce that meets our unique business needs. Through the transition to one FedEx, we have capitalized on system efficiencies throughout the hiring process. This includes using technology and automated features to simplify and improve potential candidates' experiences and providing mobile applications to reach a wider audience. We target high-quality candidates for our open positions both internally on our careers website and externally through strategic digital and social media engagement.



This year, we transformed the Chatbot feature within our application process to an enterprise-wide applicant tracking system called Paradox. Going forward, we will gather and analyze data obtained from Paradox in addition to other key performance indicators to better inform our talent management decisions. These efficiencies will enable us to analyze our return on investment, including costs per hire, source effectiveness, present hiring challenges, and process improvements, which will improve our recruitment of high-quality candidates.

In addition to the development of our external talent pipeline, we are committed to providing opportunities to upskill current team members to ensure our workforce successfully meets our evolving business needs. Job-specific learning opportunities include our Driver Development program, which provides hands-on experience for team members to become professional tractor-trailer drivers, and 236 drivers were employed from this program in FY24. Where appropriate, we also incentivize transfers to maintain optimal capacity and prevent overstaffing at certain locations. We aim to provide team members affected by the low-carbon transition with opportunities that support career development, whether that involves reassignment to a similar role elsewhere at FedEx or training and education to gain new skills, such as the operation of EVs, cargo bikes, and e-motorcycles.

Team member engagement

We value our team members' feedback and utilize annual surveys, employee networks, and direct channels to gather constructive feedback and recommendations on culture, engagement, and inclusion. In FY24, we implemented a cohesive listening platform that uses a unified structure, question set, and timeline to analyze employee feedback across the enterprise. We plan to use this platform annually to conduct our global engagement and pulse surveys. Ultimately, these initiatives enable us to listen to our team members' challenges and recommendations to help us refine our human resource management strategy and optimize the employee experience.

In FY24, our global turnover rate for all employees was 95%. Turnover for part-time team members, primarily package handlers at our sorting locations, was 195%, while full-time team member turnover was 26%, in FY24. We conducted a study of the primary factors that contribute to a less than one-year turnover rate in retail locations and plan to adjust our strategy to address opportunities related to learning and development.

We are committed to compensating our employees fairly and respect the rights of team members to unionize. Federal Express pilots are employed under a collective bargaining agreement and represented by the Air Line Pilots Association, International. A small number of our other employees are also unionized. As part of our commitment, we regularly meet with union representatives to discuss and bargain, where appropriate, changes to work rules.

See the [Data appendix](#) for more information on our recruitment and retention.





Quality of life

We promote the health, safety, and well-being of our people through integrated benefit offerings that apply to everyday life, both inside and outside of work. By meeting the unique needs of our employees, we can attract and retain best-in-class talent to drive business results for our customers. Our comprehensive benefits include health care coverage, well-being programs, basic and supplemental life and accidental death and dismemberment insurance, paid sick leave, paid time off, and parental leave for all eligible full- and part-time employees. We adhere to all wage and labor laws in the countries and territories where we operate to ensure fair living wages.

In FY24, we formed a global Total Rewards team that evaluates, manages, and promotes the benefits available to all FedEx employees. We are assessing current offerings across all regions and have begun harmonizing and enhancing our suite of benefits programs where possible.

We encourage our plan members to provide feedback on our time-off benefits so we can refine our offerings to fully support our employees. Our teams also analyze survey data at the local, national, and enterprise levels and conduct routine peer benchmarking and internal pay equity analyses to incorporate best practices, keep abreast of regulatory developments, and develop competitive offerings.

In the U.S., we cover approximately 70% of total eligible health costs at the plan level for more than 350,000 enrolled employees and dependents as of January 2025. These health benefits include flexible medical, behavioral, dental, vision, and pharmacy coverage, in addition to mental health services.

We are committed to providing benefits that work best for our unique employee population, with employee contributions and deductibles in the U.S. below the national average. “Your Choice,” our copay-only medical plan option, connects plan

members to quality providers through flexible, simple, and transparent offerings with lower employee contributions compared to our other medical plans. The Your Choice plan option has no deductible, no coinsurance, and \$0 employee paycheck contributions for the Employee Only coverage tier, and it has reduced employee paycheck contributions for Employee & Children and Employee & Family coverage tiers. We also offer plans that focus on specific areas of medical support, like our lifestyle management program which makes weight loss medication more accessible, and our Choose Well Care Connect advocacy program which provides benefits support and guides plan members through life-altering diagnoses. Further, FedEx is currently testing home health capabilities in markets across the U.S. where populations have decreased access to health care opportunities, including virtual specialists, care management, and designated prescription drug infusion locations.

In FY24, we expanded our offerings through an increase in adoption benefits, and the launch of “Fast Pass” in select U.S. markets, which guarantees medical plan members can get an appointment with a primary care provider in 10 days or less.

At FedEx, we are dedicated to supporting the mental health of our employees. Our Employee Assistance Program offers free, confidential counseling and mental health services 24/7 to both U.S. employees and their household members, regardless of their enrollment in our medical plan, and we plan to expand this program globally in 2025. Additionally, we offer a work-life balance program that provides structured guidance and personalized resources for U.S. employees going through challenges related to child and senior care, financial, legal, health, diagnostic, or wellness. Our employee discount program offers discounts for some of these challenges, including child and senior care, food delivery programs, health and well-being programs, and travel.



Learning and development

We are committed to helping our team members grow and develop their careers at FedEx. We are constantly adapting our offerings to meet current company needs and prepare capabilities we anticipate needing in the future. By focusing on the learning and development of our employees, we hope to increase engagement and retention and strengthen our internal talent pipeline, while enabling our team members to better deliver on the Purple Promise for our customers.

18.79

hours of training completed per employee on average in FY24

\$43.6M

provided in tuition assistance, supporting over 12,700 team members in FY24

Our global trainings help foster an environment of continuous learning. As part of the core new employee orientation, all new hires are required to learn about safety, security, compliance, and sustainability as it applies to the responsibilities of their respective roles.

In FY24, our retail new hire trainings included point-of-sale enhancements to increase efficiency and improve both the customer and team member experience. We also offer power skills courses to educate front-line workers, operations managers, engineers, engineering specialists, and human resource professionals on topics such as emotional intelligence, change agility, strategic talent development, and professional skills. This year we introduced compliance training opportunities for first-line, mid-level, and senior managers and individual contributors to mitigate regulatory risks.

The FedEx Learning Center is another learning tool that houses thousands of easily accessible online courses available to all team members. This third-party, data-driven system not only enables efficient learning opportunities for our employees but also allows us to track progress on employee learning goals.

We implement programs and initiatives for our executives that focus on leadership skills, succession planning, and fostering institutional knowledge to facilitate engagement, career growth, and strong leadership. This year, we launched our global succession management process for executives. The program reached all of our officers and directors globally and included leadership learning hubs and strength-based leadership coaching. Looking forward, we plan to add an enterprise-wide leadership development program for high-potential officers and directors in FY26. We also responded to team member feedback by consolidating the manager onboarding process.

Further, we provide four retail-specific continuing leadership learning courses for all store managers, covering powerful communication techniques, ideal role-model qualities, conversation facilitation skills, and motivation and engagement inspiration. We launched the Providing Opportunity with Empowered Readiness (POWER) Leadership Program for field senior managers in 2024 and plan to open this program to frontline managers in 2025.

Through our Learning inspired by FedEx (LiFE) program, in collaboration with the University of Memphis, we offer free, online degree opportunities across 30 associate's and bachelor's programs. In FY24, approximately 4,500 team members were enrolled in the program. Our Education for Life program also offers discounted or debt-free college at several schools in the U.S. to promote higher education and personal development. In FY24, we broadened our tuition assistance program across the U.S. for all employees, which now includes a streamlined process for submission and reimbursement to over 200 schools and access to free advisory services to support employees interested in gaining higher education.

As part of one FedEx, we established a global process for performance management to provide timely work-related feedback and assist in career growth. Under this process, managers and their employees have multiple touchpoints throughout the year and meet at the end of each fiscal year to evaluate performance against expectations and set new goals. Performance evaluations at the end of each fiscal year are tied to our rewards and recognition program.

Our culture and people

Our culture

Our unified culture has enabled us to drive progress and innovation for over 50 years. At the foundation of our culture is our People-Service-Profit philosophy—the belief that creating an environment where people are valued and have an opportunity to succeed leads to exceptional service, which generates the profitability to fund our future and reward our people. Our team members span geographies and backgrounds yet we are united by a common goal—the Purple Promise, which is our commitment to make every FedEx experience outstanding.

One way we ensure understanding and buy-in of our culture is by conducting workshops for leaders and team members across the enterprise. This year, we held dedicated workshops for operations leaders in Canada prior to the implementation of Network 2.0. These workshops focused on equipping each leader to support their teams, drive business results, and champion our culture of one FedEx. Our leaders reported feeling more prepared to navigate the road ahead, demonstrating how our commitment to fostering culture supports business priorities.

At FedEx, culture is a strategic asset and a key enabler. As we transform for the future, continuing to embed our values across the enterprise remains a top priority.

Our culture values are attributes that inspire confidence and commitment from team members, global communities, customers, and stockholders.



Take care of each other

- We put safety above all.
- We make “safety” a place, a habit, and a mindset.
- We bring our authentic 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.



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.



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 stockholders.



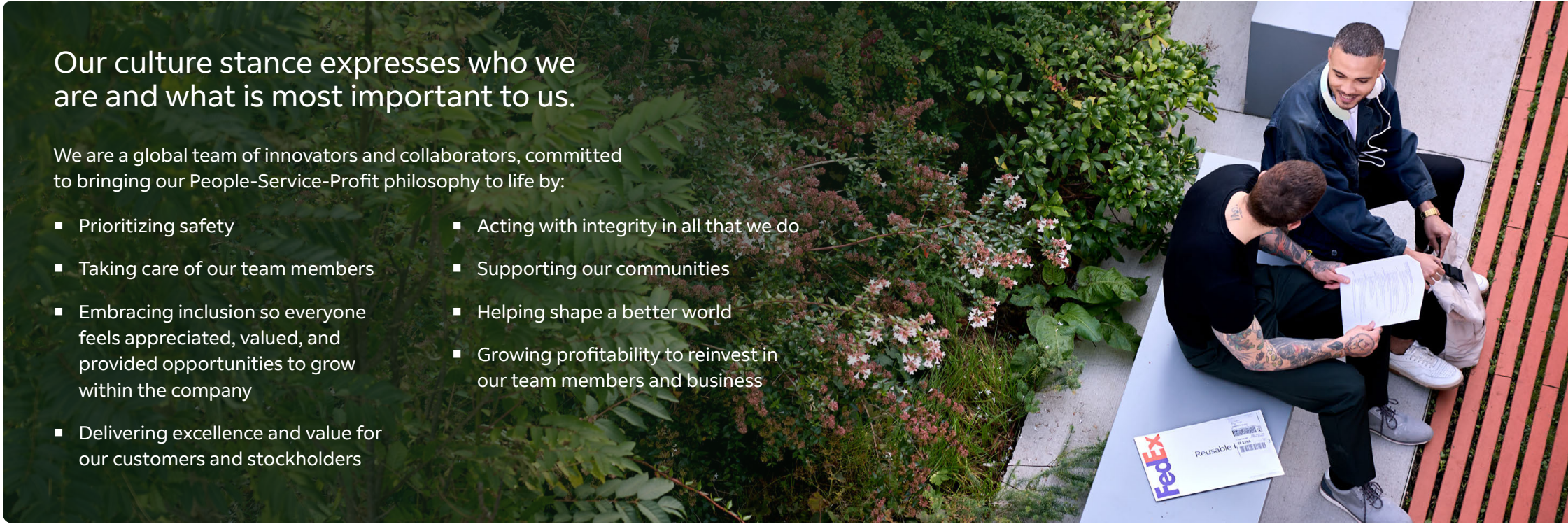
Create what’s next

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

Our culture stance expresses who we are and what is most important to us.

We are a global team of innovators and collaborators, committed to bringing our People-Service-Profit philosophy to life by:

- Prioritizing safety
- Taking care of our team members
- Embracing inclusion so everyone feels appreciated, valued, and provided opportunities to grow within the company
- Delivering excellence and value for our customers and stockholders
- Acting with integrity in all that we do
- Supporting our communities
- Helping shape a better world
- Growing profitability to reinvest in our team members and business



Equality, Opportunity, and Diversity are the bedrock of our culture

FedEx is—and has been since its founding in 1971—committed to equality, opportunity, and diversity. This is about much more than our policies and practices. This is about our long-standing culture and steadfast belief that when we give everyone the opportunity to grow and advance in their careers, our team members thrive and FedEx prospers.

Equality, opportunity, and diversity are interwoven across our four strategic pillars which are: Our People; Our Education and Engagement; Our Communities, Customers, and Suppliers; and Our Story.

STRATEGIC PILLARS



Opportunities for our people

Recruit, retain, develop, and provide advancement opportunities for team members



Opportunities for our education and engagement

Enrich, expand, and enhance our culture through education



Opportunities to tell our story

Amplify the stories of our people and celebrate differences



Opportunities for our community

Serve and support our communities, customers, and suppliers

Our people

We value our differences and believe every voice counts. With more than 500,000 team members in over 220 countries and territories, these differences are a source of strength and creativity. Each international region has councils that leverage these unique perspectives and embed culture, equality, opportunity, and diversity across business operations.

In FY24, the APAC and MEISA regions partnered with the [Stanford Neurodiversity Project](#), which develops the skills of neurodiverse individuals to empower success in their daily lives. In LAC, we released the “MY VOICE” podcast to facilitate fresh conversations with frontline employees and individual contributors to increase awareness and education about inclusion and opportunities.

See the [Human resource management](#) section for more details on our hiring practices and the [Data appendix](#) and our [EEO-1 Reports](#) for additional information.

Our education and engagement

At FedEx, we take care of each other by providing continuing education opportunities to progress all team members’ careers and enhancing our culture in which everyone is treated with dignity, courtesy, and respect across the enterprise. Our learning platform provides simplified content for all career levels.

We also cultivate a learning environment for leadership by providing resources such as equality, opportunity, and diversity practice toolkits and forums where leaders share insights and best practices to build trust.

The Purple Pathways Program is an internal career track program to provide opportunities for the development and growth of our team members. Supported by over 4,800 Purple Pathways mentors and champions, more than 62,000 team members have enrolled as participants in the program since its inception.

FedEx offers a variety of Employee Resource Groups (ERGs), which are open to all FedEx employees, and provide a unique blend of social, educational, and professional opportunities that support personal and professional growth and business objectives.

We also include culture equality, opportunity and diversity-related questions within our engagement surveys to better understand all perspectives in our workforce and integrate employee feedback into our initiatives.

See the [Learning and development](#) section for more information regarding employee training and initiatives to support continued employee education.

Our communities, customers, and suppliers

Addressing local needs and societal challenges in communities around the world is important to us. We collaborate with nonprofits that strive to ensure access to opportunities for everyone, while encouraging our employees to contribute their time and skills through volunteering where they live, work, and serve. Our goal is to cultivate a world in which everyone is treated with dignity, courtesy, and respect.

Together with a group of nonprofits, we help create economic mobility, advance belonging and allyship, and provide access to education and learning.

- **International Youth Foundation (IYF):** We began working with the IYF in 2018 to create a curriculum that blends hands-on technical training in logistics with essential life skills, such as problem-solving, leadership, and teamwork. The program has transformed the lives of thousands of underserved youth in cities across Mexico and El Salvador, setting a new standard for workforce development and providing top talent for transportation companies, including FedEx.
- **U.S. Chamber of Commerce Foundation's Hiring Our Heroes (HOH):** Our nation's veterans, service members, and military spouses often face complex barriers to civilian employment. FedEx works with HOH to provide transitioning service members and their spouses with professional training, hands-on work experience, networking, and direct connections to employers through HOH Career Summits and the HOH Corporate Fellowship Program.
- **Dress for Success® Worldwide (DFS):** We are a longtime supporter of DFS, which provides mentorship, leadership development, and entrepreneurial development to create an

environment in which women and girls can excel. FedEx helped co-create and launch the FedEx Career Hub, an online tool to help women access job services such as creating a résumé, searching for positions, and preparing for an interview remotely, all on their own schedule. In addition to supporting DFS Worldwide, FedEx supports local programs in Memphis and Dallas.

- **FedEx College Pathways Career Expos:** Our College Pathways program provides students with an opportunity to speak with FedEx leaders regarding various topics, such as transitioning from college to a career at FedEx. We offer students virtual and in-person career experiences that align with their academic pursuits, reaching nearly 385 students to date.
- **FedEx-Historically Black Colleges and Universities Student Ambassador Program:** We provide access to resources and equip college students with career and leadership tools to help them enter the professional workforce upon graduation.
- **FedEx High School Pathways:** We expand our pool of candidates through early outreach to high school students. Our High School Pathways program builds brand awareness, exposes students to various career paths at FedEx, strengthens FedEx relationships with local communities, and reinforces current proactive recruitment strategies by attracting talent to FedEx. Since its launch in 2022, over 5,500 students from 113 high schools have participated in this program.

As one FedEx, we have the power to support a global supplier base, which includes small businesses. See the [Supply chain](#) section for information on our supplier program.



Our story

At FedEx, our workforce embodies the rich diversity of the global community that we serve and in which we operate. With team members hailing from different continents and cultures, shining a light on their diverse stories highlights how we deliver—as one FedEx team.

We foster awareness of and connection to our culture and team members across our global organization through internal communications, feature stories, and other channels.

In FY24, our impact was recognized through several awards, including Best for Vets Employers by the Military Times, Women in Trucking, Women's Business Enterprise National Council, and the National Business Inclusion Consortium's Best of the Best.

Key links

[FedEx Cares website](#)

[EEO-1 Reports](#)

[Compensation and Human Resources Committee Charter](#)



Health and safety

At FedEx, the health, safety, and well-being of our team members and service providers are top priorities. We foster safety within our operations, on the road, and in surrounding communities to help reduce the frequency and severity of accidents and injuries. Our business decisions are informed by our *Safety Above All* philosophy, which is integrated in our health and safety policies, technology investments, risk evaluation processes, training programs, recognition, and awards. The Governance, Safety, and Public Policy Committee of the FedEx Board of Directors regularly reviews operational safety metrics and performance within the company and discusses safety-related programs and developments with management. We also work with regulatory agencies to promote proper compliance with safe work requirements.

Safety management systems

Our safety management systems (SMSs) help us initiate and monitor health and safety programming across our operations with a key focus on reducing work-related injuries and illnesses and complying with safety regulations. Our SMSs are tailored to address specific hazards and regulatory environments depending on the activities of each facility. We are working to align multiple safety policies across our enterprise to support the transition to one FedEx.

At the corporate level, our executive team uses SMSs to review enterprise-wide health and safety performance each quarter, and our operations use centralized data processes to track and mitigate incidents. We also have internal Safety committees which conduct monthly site inspections and periodic safety performance reviews, in addition to Operations

Safety Specialists, Field Safety Advisors, and Driver Advisors who develop optimal safety strategies through site-specific method and documentation assessments. Additionally, FedEx uses field-based controlled self-monitoring to validate execution of our safety programs and identify how to improve and focus safety-related trainings.

We understand the importance of identifying and mitigating safety risks across our operations. The FedEx Safety and Design Engineering teams proactively incorporate risk mitigation into equipment and operating procedure design. We are working to unify our annual risk assessments across the enterprise to help prioritize operational and supply chain safety strategies.

FedEx has various strategies and programs in place to engage our employees and strengthen safe work methods. For example, employees and managers use safety observations to reinforce proper lifting techniques to reduce injuries, and this will be rolled out to additional operations in FY25. Our Safety department also creates content for frontline managers to conduct daily pre-sort messaging and stretching exercises, as well as courier and yard equipment operator coaching, to build a foundation of safe work behaviors and reduce injuries.

Our cutting-edge technology enhances visibility of unsafe behaviors and mitigates risks. In São Paulo, Brazil we are testing electric vans equipped with AI alerts that communicate with police and emergency response teams to protect against cargo and vehicle theft, protecting our employees, vehicles, and customer shipments. Additionally, we plan to pilot AI capabilities within vehicles that can alert and validate operational safety behaviors in FY25.

Employee training and engagement

Our team members embed the FedEx *Safety Above All* philosophy in all that they do. Our enterprise-wide oversight, programs, and trainings promote positive safety behaviors to reinforce this culture.

We prioritize health and safety from the start, with mandatory safety trainings for all new hires during onboarding. We utilize additional in-person trainings as well as live, virtual sessions to engage and equip employees with the tools necessary to address their work- and responsibility-specific safety hazards. The Leading with Safety program teaches managers proper safety procedure execution, hazard recognition and reporting, and how to exercise stop-work authority to facilitate safe working conditions among their teams. We also provide an Ergonomic Risk Mitigation program to reduce risk of injury and discomfort as well as trainings to improve workplace efficiencies, reduce injury, and enhance employee morale.

As a key member of the transportation industry, we prioritize driver safety training, technology, and accountability through our Safer Highways strategy, which improves accident rates and protects our workers and communities. Within our operations, the FedEx Office of Transportation Safety offers the FOCUS Safe Driving Program to teach defensive driving techniques. We also utilize the Vehicle Event Data Recorder (VEDR) Program for managers to review and address driver behavior, enhancing the safety of drivers and others on the road. In 2024, FedEx saw a 2.7% year-over-year improvement in the PUD preventable vehicle accident rate, as well as a 74% improvement in distracted driving events since implementation of the VEDR Program in 2021.

To further embed the messages and skills learned in safety trainings, we facilitate regular employee engagements through dialogue with managers, feedback avenues, and safe behavior recognition channels. For example, team members can provide feedback on our safety culture through the bi-annual global Aviation Safety Culture Survey, which we use to identify safety risks and opportunities and create action plans. Additionally, our Stay Sharp employee recognition program is one way we celebrate employees who model safe behaviors.

As another means to enhance our operational safety measures, we provide a Qualification Certification to service provider drivers, proving they are qualified to operate their designated equipment. In FY24, more than 99% of service provider drivers received their qualification certification.

Safety performance

As we transition to one FedEx, we are streamlining our data collection processes to better manage priority metrics, policies, and systems. We strive to improve our safety performance every year to prevent workplace accidents and ensure all team members, business partners, and community members return home safely.

In FY24, we continued to improve our highway preventable accident rate and lost time injury rate, which improved by more than 7% year-over-year. This improvement is a testament to our oversight, implementation, and education of field safety programs. See our [Data appendix](#) for detailed health and safety metrics.



DATA APPENDIX

Environment

Direct and indirect energy consumption (terajoules)	FY22	FY23	FY24
Direct energy consumption			
Aircraft fuel			
Jet fuel ¹	199,401	184,725	173,540
Vehicle fuel ²			
Diesel	39,947	36,698	33,600
Renewable biodiesel (percent of total diesel) ³	3,204 (8.02%)	3,114 (8.49%)	149 (0.44%)
Gasoline	4,888	3,848	3,318
Renewable ethanol (percent of total gasoline)	2.1 (0.04%)	18.1 (0.47%)	5.9 (0.18%)
Liquefied petroleum gas (LPG: propane)	1,088	971	725
Liquefied natural gas (LNG) and compressed natural gas (CNG) ⁴	121	80	13
Facility energy use			
Natural gas	7,331	7,284	5,846
Heating oil	8	12	15
Total direct energy consumption ⁵	252,785	233,618	217,259

1 We maintain compliance with regional mandates for SAF usage (as discussed on page 21 of this report). While we meet these requirements, values for SAF usage are not currently reported.

2 Includes a small amount of fuel used for emergency generators at some facilities.

3 FY24 figure only includes biodiesel usage from our owned fleet. Previous year's data includes biodiesel use from legacy FedEx Ground independent contractors.

4 No LNG in FY23.

5 Total direct energy consumption includes additional energy usage from other immaterial energy sources like waste.

Direct and indirect energy consumption (terajoules)	FY22	FY23	FY24
Indirect energy consumption			
Facility purchased energy use			
Purchased electricity	8,839	8,842	8,983
Purchased heating	0	53	65
Purchased cooling	0.09	0.09	0.28
Total indirect energy consumption	8,839	8,895	9,048
Total direct and indirect energy consumption	261,624	242,513	226,307
Other indirect energy consumption			
Category 3: Fuel- and energy-related activities	N/R	N/R	548
Category 4: Upstream transportation and distribution ⁶	53,604	61,666	50,442
Category 6: Business travel	N/R	N/R	2,079
Total other indirect energy consumption	53,604	61,666	53,069
Total energy consumption	315,227	304,179	279,376

6 Includes energy associated with the fuel-based activity from: (1) fuel sold by legacy FedEx Ground to independent PUD and linehaul contractors through on-site fueling facilities or purchased by independent linehaul contractors through retail outlets using fleet fuel cards, (2) fuel used by FedEx Freight contractors in Canada, and (3) fuel used by Federal Express feeder aircraft contract operators.

Direct and indirect GHG emissions (metric tons CO ₂ e)	FY22	FY23	FY24
Direct energy consumption (Scope 1)			
Aircraft fuel			
Jet fuel	13,532,053	12,536,072	11,921,845
Vehicle fuel ¹			
Diesel	2,809,357	2,576,897	2,364,270
Gasoline	334,465	264,545	206,342
Liquefied petroleum gas (LPG: propane)	62,996	56,120	43,368
Liquefied natural gas (LNG) and compressed natural gas (CNG)	4,967	3,276	672
Facility energy use			
Natural gas	369,129	366,765	294,356
Heating oil	649	962	1,064
Total direct emissions (Scope 1)²	17,113,617	15,804,636	14,842,148
Indirect energy consumption (Scope 2 (location-based))			
Facility purchased energy use			
Purchased electricity	864,696	918,512	896,486
Purchased heating	0	460	1,980
Purchased cooling	15	9	18
Total indirect energy emissions (Scope 2 (location-based))	864,711	918,981	898,484
<i>Scope 2 emissions (market-based)³</i>	<i>864,711</i>	<i>918,981</i>	<i>966,871</i>
Total GHG emissions (Scope 1 and 2 (location-based))	17,978,328	16,723,617	15,740,632
Other indirect energy consumption (Scope 3)			
Category 3: Fuel- and energy-related activities	N/R	N/R	3,301,621
Category 4: Upstream transportation and distribution ⁴	4,198,753	4,728,108	6,361,186
Category 6: Business travel ⁵	70,250	79,690	176,273
Total other indirect emissions (Scope 3)	4,269,004	4,807,798	9,839,080
Total GHG emissions (Scope 1, 2 (location-based), and 3)⁶	22,247,331	21,531,415	25,579,712
Total biogenic emissions of CO ₂ e (location-based (not included in Scope 1, 2, and 3 emissions)) ⁷	N/R	N/R	266,662

Direct and indirect GHG emissions: GHG equivalency breakdown (metric tons CO ₂ e)	FY22	FY23	FY24
Total direct energy emissions (Scope 1)			
Carbon dioxide (CO ₂)	16,947,988	15,655,314	14,781,403
Methane (CH ₄)	4,700	3,969	18,040
Nitrous oxide (N ₂ O)	160,929	145,353	32,662
Total indirect energy emissions (Scope 2 (location-based))			
Carbon dioxide (CO ₂)	861,710	914,819	893,820
Methane (CH ₄)	1,231	2,157	2,063
Nitrous oxide (N ₂ O)	1,770	2,005	2,601
Total direct and indirect energy emissions (Scope 1 and 2 (location-based))			
Carbon dioxide (CO ₂)	17,809,698	16,570,133	15,675,223
Methane (CH ₄)	5,931	6,125	20,103
Nitrous oxide (N ₂ O)	162,699	147,358	35,263
Total CO₂e (Scope 1 and 2 (location-based))⁸	17,978,328	16,723,617	15,740,632

- Includes a small amount of fuel used for emergency generators at some facilities.
- Total Scope 1 emissions includes 10,231 metric tons of CO₂e in additional activity related to fugitive emissions and other vehicle fuels.
- Based on a comprehensive assessment, we determined the difference between Location- and Market-based Scope 2 emissions was de minimis in previous reporting years. Therefore, we are reporting the same value for each metric for FY22–FY23. In FY24, we are reporting actual Market-based Scope 2 emissions.
- Includes emissions from: (1) fuel sold by legacy FedEx Ground to independent pickup and delivery and linehaul contractors through on-site fueling facilities or purchased by independent linehaul contractors through retail outlets using fleet fuel cards, (2) fuel used by FedEx Freight contractors in Canada, (3) interline aircraft carriers in support of FedEx Express international shipping, (4) fuel used by FedEx Express feeder aircraft contract operators, (5) contracted intermodal rail at FedEx Freight and legacy FedEx Ground, and (6) FedEx Logistics Air and Ocean transactions. FedEx Logistics surface transport emissions are excluded in reported emissions as FY24 activity data was unavailable for estimations.
- Methodology for employee air travel was updated in FY24 to apply fare class specific emission factors. Additionally, emissions related to employee hotels were added in FY24.
- Review level of assurance under attestation standards of the American Institute of Certified Public Accountants over FY24 Scope 1, Scope 2, and Scope 3 Categories 3, 4, and 6 GHG emissions was obtained from Ernst & Young LLP (as indicated in the 2024 Selected GHG Independent Accountants' Review Report).
- We report biogenic emissions separate from our footprint. These emissions are related to the combustion of biologically sequestered carbon from biomass or biofuels as well as other natural processes like the decomposition of biomass. The total is based on Scope 2 (location-based). For FY24, Scope 1 biogenic emissions of CO₂e (outside of scopes) was 29,184, Scope 2 (location-based) was 25,184, Scope 2 (market-based) was 17,449, and Scope 3, Categories 4 and 6 was 212,294.
- Total FY24 Scope 1 and 2 CO₂e figure includes 10,043 metric tons of CO₂e in additional Scope 1 activity related to fugitive emissions and other vehicle fuels not broken out in table above.

Energy and emissions intensity	FY22	FY23	FY24
Consolidated revenue (million U.S. dollars)	\$93,512	\$90,155	\$87,693
Total energy intensity (terajoules/million U.S. dollars)	3.37	3.37	3.19
Total emissions intensity (Scope 1 and 2 (location-based))	192.26	185.50	179.50
Total emissions intensity (Scope 1, 2 (location-based), and 3)	237.91	238.83	291.70

Other significant air pollutants (metric tons) ¹	FY22	FY23	FY24
Nitrogen oxides (NO _x)	84,972	78,989	86,513
Sulfur oxides (SO _x)	12,764	11,831	11,791
Particulate Matter (PM ₁₀)	812	759	1,035

1 NO_x and PM₁₀ data does not include vehicle fleet outside the U.S. and Canada.

Alternative fuel vehicles ²	FY22	FY23	FY24
Hybrid	244	217	171
Electric	3,552	7,136	8,018
Liquefied natural gas (LNG) and compressed natural gas (CNG)	223	212	189
Liquefied petroleum gas (LPG: propane)	2,192	2,319	2,203
Hydrogen fuel cell ³	2	0	0
Total alternative vehicles	6,213	9,884	10,581

2 Includes on- and off-road vehicles.

3 Vehicles listed in this category in FY22 have been moved to the hybrid category in FY23 and FY24.

Fuel- and energy-saving initiatives	FY22	FY23	FY24
Energy saved (terajoules)			
Federal Express aircraft fleet modernization	21,458	19,403	18,639
FedEx Fuel Sense (jet fuel)	1,844	1,601	1,581
Federal Express vehicle fuel efficiency initiatives	5,040	4,548	4,369
Intermodal rail usage ⁴	9,049	6,601	6,876
Facility energy efficiency initiatives ^{5,6}	813	834	867
On- and off-site solar electricity generation	102	107	112
Total energy saved	38,307	33,094	32,443
CO ₂ e emissions avoided (metric tons)			
Federal Express aircraft fleet modernization	1,456,220	1,319,067	1,279,843
FedEx Fuel Sense (jet fuel)	125,139	108,855	108,558
Federal Express vehicle fuel efficiency initiatives	385,000	320,808	307,267
Intermodal rail usage ⁴	619,950	441,150	614,572
Facility energy efficiency initiatives ^{5,6}	160,392	164,149	168,545
On- and off-site solar electricity generation	8,897	9,783	10,228
Total emissions avoided	2,755,597	2,363,812	2,489,012

4 Savings include fuel and emission savings from intermodal rail usage at FedEx Freight and legacy FedEx Ground only.

5 Facility energy efficiency initiatives include building lighting retrofits and energy management systems.

6 CO₂e calculated using the EPA GHG Calculator.

Waste and recycling (metric tons) ¹	FY22	FY23	FY24
Total waste			
Total waste generated	617,452	565,168	655,720
Sent to recyclers	379,420	341,583	450,720
Percent sent to recyclers	61%	60%	69%
Landfilled	238,032	223,538	205,000
Non-hazardous waste ²			
Total non-hazardous waste	614,506	562,445	652,579
Sent to recyclers	378,548	340,732	449,474
Percent sent to recyclers	62%	61%	69%
Landfilled	235,958	221,713	203,104
Hazardous waste ³			
Total hazardous waste	2,946	2,676	3,141
Sent to recyclers	872	851	1,245
Percent sent to recyclers	30%	32%	40%
Landfilled	2,074	1,825	1,896

- 1
Waste at many of our facilities is difficult to track because it is collected by haulers contracted by a landlord or local municipality, or commingled with other tenants’ waste in shared facilities such as airports and retail malls, and as such has not been included in this data.
- 2
Non-hazardous waste data includes the solid waste (non-regulated/trash) and non-hazardous regulated waste categories that were reported separately in previous reports.
- 3
Hazardous waste data includes the hazardous (regulated) waste, universal waste (which encompasses certain hazardous waste items, including batteries and mercury-containing lamp bulbs, as defined by U.S. EPA regulations), and electronic waste categories that were reported separately in previous reports.

Environmental compliance summary	FY22	FY23	FY24
Number of significant spills ⁴	59	99	79
Number of monetary violations from external agencies	1	3	6
Total amount of monetary violations	\$33,750	\$47,109	\$7,690

- 4
Defined as spills of hazardous materials like oil, fuel, and chemicals that are reportable to the appropriate environmental regulatory agency, such as the U.S. National Response Center.

Materials consumption	FY22	FY23	FY24
Packaging materials ⁵			
Total packaging (metric tons)	91,647	67,602	63,134
Percent of packaging from recycled content	36%	40%	41%
Percent of packaging from third-party certified content ⁶	64%	78%	74%
Paper			
FedEx Office copy and print paper (metric tons) ⁷	11,265	9,410	9,750
Percent of paper from recycled content	7%	8%	7%
Percent of paper from third-party certified content	100%	99%	99%
Other operational materials (solids)			
Total other operational materials (solids: metric tons)	17,542	16,570	19,792
Percent of other operational materials (solids) from recycled content	34%	36%	48%
Total solid materials used (metric tons)	120,455	93,583	92,676
Other operational materials (fluids: liters)	5,539,156	5,810,184	4,136,333

- 5
In addition to cardboard, other materials used in shipping include bubble pack, plastic air pillows, chipboard, Tyvek® envelopes, and packaging tape.
- 6
The FY23 figure has been updated in this year's report.
- 7
The vast majority of paper usage at FedEx is for commercial copy and print services at FedEx Office in the U.S. Therefore we are only reporting FedEx Office copy and print paper usage, as we consider paper usage at other operating companies to be immaterial.

Facility data	FY22	FY23	FY24
Number of LEED- and BREEAM-certified buildings ⁸	57	59	61
Number of on- and off-site solar energy facilities	29	34	34

- 8
Includes LEED-certified facilities at Federal Express, FedEx Freight, legacy FedEx Ground, FedEx Logistics, and FedEx Office. The BREEAM-certified facilities are only at Federal Express.

Social

Headcount by global region	FY22	FY23	FY24
Total headcount	518,249	523,074	494,824
U.S.	76%	76%	74%
Europe	10%	9%	10%
Asia Pacific (APAC)	6%	6%	6%
Latin America and Caribbean (LAC)	4%	4%	4%
Canada	3%	4%	4%
Middle East, Indian Subcontinent, and Africa (MEISA)	1%	1%	1%
Full-time employees: U.S. workforce	224,217	219,284	192,557
Part-time employees: U.S. workforce	169,601	175,536	175,517

Employee hiring and turnover	FY22	FY23	FY24
New hire data			
Total new hires	558,290	488,738	450,784
New hire rate	107%	90%	91%
Employee turnover data			
Total turnover	530,932	520,036	468,807
Turnover rate	102%	99%	95%

Team member career development ¹	FY22	FY23	FY24
Total average training hours	38.29	26.97	18.79
Management	64.20	42.33	46.87
Non-management	34.17	24.44	16.70

1 Does not include independent contractors working on behalf of FedEx.

Global safety data ²	FY22	FY23	FY24
Injury rates			
Total lost time injury rate (per 200,000 hours worked) ³	2.87	3.93	3.62
North America (U.S./Canada)	3.12	4.58	4.20
Rest of the world	2.11	2.05	2.07
Total number of employee fatalities (work-related) ⁴	9	5	7

- 2 Does not include independent contractors working on behalf of FedEx.
- 3 Per 200,000 hours worked; lost time injury means a nonfatal traumatic injury that causes any loss of time from work beyond the day or shift it occurred; or a nonfatal nontraumatic illness/disease that causes disability at any time. Global lost time injury rate (LTIR) data is based on definitions from the U.S. Occupational Safety and Health Administration (OSHA).
- 4 GRI definition: the death of a worker occurring in the current reporting period, arising from an occupational injury or disease sustained or contracted while in the organization's employ.

Governance

Supply chain	FY22	FY23	FY24
Total number of suppliers participating in requests for qualifications and proposals (RFx) events	358	258	127
Total number of suppliers asked sustainability questions in RFx event	349	258	39
Percent of sourcing-managed suppliers screened with sustainability RFx questions	97%	100%	100%
Small business supplier spending (billion U.S. dollars)	\$18.80	\$18.60	\$18.70

Charitable contributions	FY22	FY23	FY24
Total charitable contributions (million U.S. dollars) ⁵	\$86.33	\$78.63	\$55.38

5 Includes direct cash grants, charitable shipping, and Corporate Marketing and Federal Express in-kind donations to nonprofit organizations. FY22 and FY23 figure includes donation to establish Yale Center for Natural Carbon Capture.



CAUTIONARY NOTE

Certain statements in this report may be considered forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, such as statements relating to expected cost savings, the optimization of our network through Network 2.0, the planned spin-off of the FedEx Freight business into a new independent publicly traded company, future financial and operational targets, business strategies, management's views with respect to future events and financial performance, and underlying assumptions. Forward-looking statements include those preceded by, followed by, or that include the words "will," "may," "could," "would," "should," "believes," "expects," "forecasts," "anticipates," "plans," "estimates," "targets," "projects," "intends," or similar expressions. Such forward-looking statements are subject to risks, uncertainties, and other factors which could cause actual results to differ materially from historical experience or from future results expressed or implied by such forward-looking statements. Potential risks and uncertainties include, but are not limited to, our ability to successfully implement our business strategy (including with respect to sustainability, human resource management, and safety), effectively respond to changes in market dynamics and achieve the anticipated benefits and associated cost savings of such strategies and actions; our ability to meet certain goals relating to aircraft emissions, vehicle fuel efficiency, alternative fuels and renewable energy, and aircraft and vehicle fleet modernization within the currently projected costs and the expected timeframes, including our goal of carbon-neutral operations by 2040; the availability and cost of and our ability to acquire and/or leverage alternative fuel vehicles, alternative fuels, fuel-efficient aircraft, global electrical charging infrastructure and requisite power grid capacity, off-site renewable energy, and other materials and components, which may be adversely affected by ongoing international conflicts or terrorist activities and disruptions in global supply chains; changes in U.S. or international trade policy; unforeseen production, design, operational, and technological difficulties; the outcome of research efforts and future technology developments, including the ability to scale projects and technologies on a commercially competitive basis such as carbon sequestration and/or other related processes and projects utilizing artificial intelligence and machine learning; compliance with, and changes or additions to, global and regional regulations, taxes, charges, mandates, or requirements relating to GHG emissions, carbon costs, or climate-related goals; labor-related regulations and requirements that restrict or prohibit our ability to impose requirements on third parties who provide contracted transportation for our transportation networks; adapting products to customer preferences and customer acceptance of sustainable supply chain solutions; the actions of competitors and competitive pressures; the development and perception of markets for carbon offset credits; and other factors which can be found in FedEx Corp.'s and our subsidiaries' press releases and FedEx Corp.'s filings with the Securities and Exchange Commission (SEC). Any forward-looking statement speaks only as of the date on which it is made. We do not undertake or assume any obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Note on materiality: Materiality, as used in this report, and our ESG priority assessment process, is different from the definition used in the context of filings with the SEC. Issues deemed material for purposes of this report may not be considered material for SEC reporting purposes.

Cost savings related to aircraft modernization and efficiency efforts are calculated by multiplying the total gallons saved by the average price of jet fuel per gallon in the respective year.



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