Delivering Value

2026 Corporate Responsibility Report

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Introduction

About this report

This report covers our sustainability performance during fiscal year 2025 (FY25), the 12-month period ending May 31, 2025, unless otherwise noted. It includes data and updates across all operating regions. After FY26, FedEx will transition to a December 31 fiscal year-end and future releases of this report will be realigned.

External assurance

An independent review of selected FY25 greenhouse gas (GHG) emissions data (including Scope 1, Scope 2, and Scope 3 Categories 1, 2, 3, 4, 6, and 7) was performed by Ernst & Young LLP, following attestation standards established by the American Institute of Certified Public Accountants (AICPA). The assurance statement is available in the 2025 Selected GHG Emissions Independent Accountants' Review Report and referenced in the Data Appendix.

Reporting frameworks

This report references the Global Reporting Initiative (GRI) Standards, aligns with industry-specific indicators from the Sustainability Accounting Standards Board (SASB), and incorporates recommendations from the Task Force on Climate-related Financial Disclosures (TCFD). For additional information, please refer to our complete index of framework disclosures.

Learn more about our sustainability reporting approach:

Sustainability Reporting webpage

Corporate Social Responsibility webpage

Global Economic Impact Report

In this section

About this report

About FedEx

Letter from the CEO

Letter from the CSO

2025 highlights

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About FedEx

FedEx Corporation (FedEx) connects people and possibilities through a global portfolio of transportation, e-commerce, and business services. For more than 50 years, we have built and operated one of the world's leading industrial networks powering the global economy — enabling e-commerce, and making supply chains smarter for everyone.

Our network, backed by the dedication of more than 500,000 team members, spans more than 220 countries and territories worldwide. Our investments in facilities, wages, and supplier relationships drive economic growth at the global, regional, and local levels.

Through our unmatched global reach, operational scale, and growing digital capabilities, we deliver on our Purple Promise to make every FedEx experience outstanding.

Delivering sustainable value through one FedEx

Our one FedEx structure brings greater flexibility, efficiency, and intelligence to our operations by integrating air and surface networks under a single brand. It also supports our environmental goals by streamlining operations and enabling smarter, more sustainable delivery solutions.

This evolution builds on ongoing efforts to modernize our network, improve pickup and delivery operations, optimize routes, and reduce fuel use across our system. In December 2024, we announced plans to spin off FedEx Freight as a separate, publicly traded company. The spin-off was completed on June 1, 2026.

We view responsible growth as a business imperative. Strong governance enhances risk management, controls costs, supports workforce development, and strengthens long-term value creation. Our one FedEx transformation helps unlock new value for customers, fosters a more unified and inclusive culture for team members, and drives network efficiencies that benefit stockholders.

We have established cross-functional reporting teams overseen by the Audit and Finance Committee and the Governance, Safety, and Public Policy Committee of our Board of Directors. These teams have advanced the digitization and automation of sustainability data collection processes, strengthening data governance, improving consistency, and enabling more timely and strategic insights to inform decision-making. Our approach builds on our People-Service-Profit philosophy, which centers on the belief that empowering team members, serving customers, and strengthening communities leads to lasting positive impact.

Learn more about our business, financial performance, and community engagement initiatives:

About Us webpage

Investor Relations website

FedEx Cares website

In memory of Frederick W. Smith

1944–2025

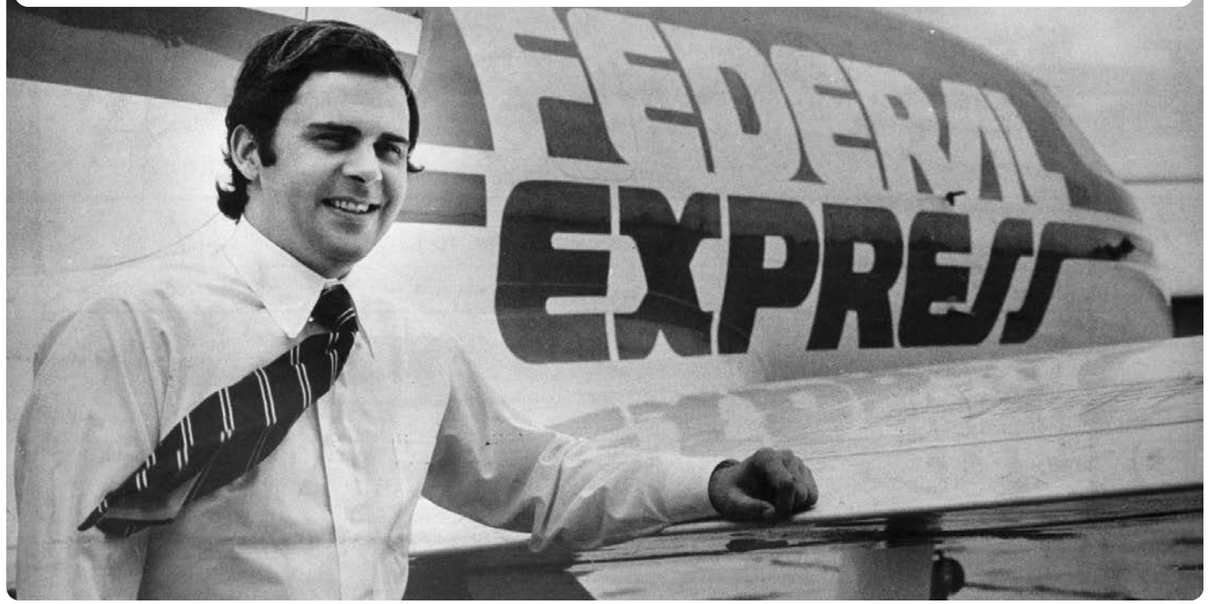
Founder, chairman emeritus, and visionary leader

As we reflect on our progress and future direction, we also pause to honor the leader whose vision set this journey in motion.

In 1971, Frederick W. Smith launched FedEx with a bold idea: that a more connected world could unlock economic opportunity on a global scale. Over the next five decades, his vision shaped every dimension of the company, from our network and values to our belief in innovation as a driver of progress and our steadfast commitment to the Purple Promise.

Mr. Smith was a forward-looking leader who championed trade as a driver of economic opportunity. At the same time, he saw how business and society must work together to address climate change in order to secure future prosperity. He was an early advocate for advancements in sustainable aviation fuel, vehicle electrification, and effective natural carbon capture to drive innovation and stakeholder value creation. These priorities helped lay the foundation for the sustainability strategy we continue to advance today.

His legacy is woven into the fabric of FedEx. It will continue to guide how we operate, innovate, and deliver for our customers, our communities, and the world we move.



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Letter from the CEO

At FedEx, our purpose has always been to connect people and possibilities. This mission, instilled in our company culture from its very beginning by our visionary founder, Frederick W. Smith, has never been more critical than it is today. As we reflect on his legacy, we are reminded of the foundational principles he established — a commitment to innovation, to integrity, and, most importantly, to serving our customers and our world. Mr. Smith had a simple philosophy — if your neighbor's house is on fire and you have a hose, you help put the fire out. We feel a responsibility to use our resources and experience to deliver for good around the world. This year's Corporate Responsibility Report marks a significant moment to reflect on our journey and renew our commitment to what's next.

In today's rapidly evolving market, our strategy is clear: We are delivering for today while preparing for a resilient tomorrow. Our path forward is guided by a clear and strategic framework built on three foundational pillars:

Our principles

Connecting the world responsibly is a duty we take seriously, and our principles are the foundation of that work. We are guided by a deep-seated belief in ethical decision-making, accountability, and uncompromising compliance in everything we do.

Our consistent recognition as one of the world's most ethical companies is a direct reflection of our team bringing the Purple Promise to life every day — making every FedEx experience outstanding. Adherence to these values is essential for delivering on that promise and maintaining the trust of our team members, customers, and the communities we serve.

Our planet

Our efforts to deliver a more sustainable future are making a difference. Five years ago, we set an ambitious goal to achieve carbon-neutral operations by 2040. I am incredibly proud to report that we have made significant strides on this journey. To date, we have achieved an approximate 15% reduction in Scope 1 and 2 emissions, a testament to the hard work and ingenuity of our team. From electrifying our vehicle fleet to investing in renewable energy and more efficient facilities, we are delivering on our promise to create a more sustainable network for everyone.

Our people

Our actions are powered by our more than 500,000 team members around the globe. They are the heart of our organization, and fostering a culture where everyone can thrive is essential. Our recent investment in AI education and literacy is a prime example of that commitment, empowering team members at every level to leverage the power of this transformative technology. This focus on development ensures that as FedEx evolves, so do the opportunities for our people, strengthening the very foundation of our organization. It is their passion and dedication that fuel our success and drive FedEx forward. In every aspect of our work, we are committed to building a diverse, equitable, and inclusive workplace that reflects the global communities we connect.

Looking ahead

The challenges of tomorrow demand a new level of innovation, and we are meeting that demand head on. By leveraging our global network, investing in our people, and embracing cutting-edge technologies, we are not just moving goods — we are making supply chains smarter for everyone and building a more resilient future. Our work continues, and the best is yet to come.

Raj

Raj Subramaniam
President and CEO

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Letter from the CSO

To our stakeholders,

It is my privilege to share this year's progress and reflect on how FedEx continues to evolve. Even as conditions across our industry and the global economy shift, we remain focused on what has always defined FedEx: delivering for our customers while continuously improving how we operate. I am encouraged by the momentum we are building and the progress we continue to deliver.

Since 2009, we have reduced our Scope 1 and 2 emissions intensity on a revenue basis by 60%. At the same time, daily package volume has grown by more than 124%, demonstrating the strength of our network and continued demand for our services. We have expanded the deployment of electric vehicles across our operations, with EVs now operating on six continents, and have improved key emissions-intensity metrics. These outcomes reflect our focus on operating more efficiently and demonstrate that our strategy is delivering measurable results.

Efficiency has long defined how FedEx operates. Today, it is driving one of the most significant transformations in our history: Network 2.0. This multiyear effort streamlines how we pick up, transport, and deliver packages, reducing redundancies, improving asset utilization, and enabling a more flexible, integrated network. As we implement these changes, we are strengthening business, improving service for our customers, and reducing emissions across our operations.

While we are proud of our progress, this work is not without its challenges. The technologies and infrastructure required to fully transform our operations — particularly sustainable aviation fuel (SAF) and fleet electrification — are not advancing at the pace or scale needed. Constraints in SAF supply, shifts in the electric vehicle market, challenges associated with charging infrastructure, and a rapidly evolving regulatory landscape continue to shape what we can achieve in the near term. In response to this rapidly evolving landscape, we are adapting our approach where needed to ensure our strategy remains grounded in reality while continuing to advance our long-term objectives.

We remain optimistic about the path ahead. Our ability to reduce emissions while growing our business demonstrates that improving operational efficiency and strategic deployment of new technology delivers both. We are also advancing longer-term innovation through our work with the Yale Center for Natural Carbon Capture, now marking five years of carbon removal research, driving solutions already placed in commercial use. In parallel, we continue to integrate data and technology across our network to optimize routing, reduce fuel use, and improve overall system performance.

None of this progress would be possible without the dedication of our team members around the world. Their expertise and commitment enable us to navigate complexity and deliver for our customers.

Finally, I would be remiss not to recognize our founder, Frederick W. Smith. He led not just with vision, but by investing time to personally guide others, including myself, through wise counsel and insightful questioning. He inspired many, and his influence endures in our people, culture, and shared commitment to deliver a better future.

Karen Blanks Ellis

Chief Sustainability Officer and Vice President, Environmental Affairs

Network 2.0:
Transforming how our network operates

FedEx Network 2.0 is a multiyear transformation to integrate our legacy Ground and Express operations into a single, unified network. By consolidating facilities, optimizing routes, and streamlining pickups, this approach is designed to improve efficiency, reduce costs, and better align capacity with shipment demand, with the potential to reduce emissions through more efficient operations.

Key elements include:

Unified operations:
Integrating legacy FedEx Express and FedEx Ground networks to reduce duplication and improve coordination and efficiency across the system

Streamlined pickups and deliveries:
Enabling a single vehicle and driver to handle multiple shipment types in one stop

Facility consolidation:
Moving toward a more efficient, unified station footprint by rightsizing our facility network and reducing redundancies across operations

Route optimization:
Using data and advanced modeling to reduce miles traveled and improve delivery density

Integrated systems:
Advancing toward a unified digital platform to improve visibility and operational decision-making

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2025 highlights

FedEx is proud to highlight measurable progress across our global network — from fleet modernization, electrification, and renewable energy deployment to safety performance, customer enablement tools, and governance systems that strengthen accountability. Together, these indicators reflect how sustainability is integrated into our operations, capital investments, and customer solutions.

507,203
full- and part-time
team members globally

15%
reduction in Scope 1 and 2 emissions since 2021

32%
reduction in aircraft emissions intensity since 2005

Named among **Fortune's World's Most Admired Companies**

16.5M
gallons of blended sustainable aviation fuel (SAF) deployed at a minimum blend ratio of 30%

9,446
total on- and off-road
EVs operating globally

Honored as one of **the World's Most Ethical Companies** by Ethisphere

$55.8M
in charitable giving
in FY25

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Our principles

Delivering with integrity and accountability

FedEx is committed to conducting business responsibly and transparently across our global operations. Through strong governance, clear policies, and a culture of accountability, we work to ensure our decisions support ethical conduct, responsible growth, and long-term value creation.

By embedding integrity into our strategy, oversight, and daily operations, we aim to maintain the trust of our customers, team members, investors, and the communities we serve. This approach reinforces our commitment to doing business in a way that is consistent, accountable, and aligned with our values.

In this section

Governance and oversight

Corporate integrity and compliance

AI, cybersecurity, and data privacy

Public policy and advocacy

Supply chain responsibility

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Governance and oversight

At FedEx, corporate responsibility is grounded in governance. Our Board of Directors provides oversight across all areas of the business, from environmental and social priorities to risk management and long-term value creation.

FedEx has four standing Board committees, each composed entirely of independent directors and entrusted with oversight of key areas tied to responsible business leadership. While the Board's responsibilities are broad, the areas highlighted below reflect those most relevant to the topics covered in this report.

These governance structures help ensure that decisions at every level of the company reflect our values, cultural principles, and long-term commitments.

Learn more about our Board oversight and governance practices:

Board of Directors webpage

Corporate Governance Guidelines

Committee Charters

Sustainability | Investor Relations webpage

2025 Proxy Statement

Board committees

The Governance, Safety, and Public Policy Committee

Oversees management of sustainability- and climate-related risks and risks relating to our political activity and expenditures.

The Audit and Finance Committee

Oversees our corporate integrity and compliance programs and reviews sustainability reporting, including aligning financial reporting with sustainability disclosures.

The Compensation and Human Resources Committee

Oversees key human resource management strategies and programs.

The Cyber and Technology Oversight Committee

Oversees our cyber and technology-related risks 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.

Our Chief Sustainability Officer (CSO)

Provides regular updates to the Governance, Safety, and Public Policy Committee and Audit and Finance Committee to inform Board-level understanding of progress, trade-offs, and emerging risks. These two committees also review and discuss this report with management.

Managing enterprise risk to drive long-term progress

FedEx manages risk as a strategic function, not just to protect the business, but also to enable long-term growth. Our Enterprise Risk Management (ERM) program provides a consistent framework for identifying, assessing, and addressing risks across the company and value chain.

Each year, we determine our top enterprise risks through industry research, stakeholder engagement, internal surveys and workshops, and consultation with senior leadership. Risks are categorized into five groups — External, Strategic, Operational, Financial, and Technology — and prioritized based on potential financial effects, likelihood of occurrence, and the strength of existing controls. The Enterprise Risk Council validates the results, and key risks are reviewed with the Board and the Audit and Finance Committee.

Climate-related risks are incorporated within this ERM process and evaluated alongside other enterprise risks. Separately, FedEx has conducted a dedicated Climate Risk Assessment to further analyze climate-related impacts, risks, and opportunities. This assessment complements the ERM framework and informs the ongoing risk management and strategic planning.

We embed risk thinking into our business planning and decision-making processes at short-, medium-, and long-term time horizons. That includes the identification of climate-related and other environmental risks, which are assessed through lenses such as regulatory exposure, operational disruption, and reputational impact.

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Focusing on what matters most

To complement our ERM approach, we conduct an annual double materiality assessment to identify the sustainability issues with the greatest impact on people and the environment, and how external sustainability factors affect the business. The results help sharpen our focus on the topics that carry the greatest risk or opportunity for long-term value creation.

Our assessment methodology is informed by leading global disclosure standards, including the European Sustainability Reporting Standards (ESRS), while calibrated to our global operating context. In 2025, we strengthened our evidence-gathering and evaluation approach to improve consistency and rigor. The results reaffirmed our longstanding focus on the sustainability topics most closely linked to operational resilience, stakeholder trust, and long-term value creation.

We recognize that materiality is shaped by both internal and external factors. New business activity, strategic shifts, regulatory developments, and evolving stakeholder expectations can all affect what matters most. We refresh our assessment regularly and use the results to inform planning, risk mitigation, and sustainability strategy across the business.

Material topics

Environmental

- Climate change
- Pollution
- Resource use and circular economy

Social

- Own workforce
- Workers in the value chain

Governance

- Business conduct
- Artificial intelligence
- Cybersecurity

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Corporate integrity and compliance

Upholding integrity through enterprise-wide governance

Integrity and compliance are fundamental to building and maintaining trust with our customers, team members, and the communities we serve. Our Corporate Integrity & Compliance (CIC) department, led by the Chief Compliance Officer, oversees our global ethics and compliance program, which helps ensure we act with responsibility and uphold our values. The CIC team works across the enterprise to help team members conduct their work ethically, make decisions consistent with our values, and act with integrity.

Our compliance program is structured around key pillars aligned with global regulatory expectations, including those of the U.S. Department of Justice. We take a risk-based approach to addressing the unique challenges of our global business operations, aiming to shape behavior, prevent and detect wrongdoing, and remediate risks.

The FedEx Code of Conduct is the foundation of our global compliance program. It applies to all team members worldwide, and we set clear expectations for suppliers to conduct business in a manner consistent with our standards for ethical and responsible conduct. The Code is reviewed and refreshed periodically and is available in 36 languages. In FY25, we issued an updated Code and developed training to support adoption and understanding.

Our standalone Human Rights Policy outlines our commitment to protecting and advancing human rights across our global operations and value chain. We prohibit the use of illegal child, compulsory, or forced labor, and do not tolerate harassment, discrimination, or bullying based on any characteristic protected by law. We comply with applicable wage and hour laws, promote fair treatment, and expect team members to report any suspected violations of human rights. Our third-party contractors and suppliers are held to the same expectations.

The Code, our Human Rights Policy, and other compliance policies and resources are available on our Corporate Integrity and Compliance webpage.

98%
completion rate among FedEx employees
of CIC training courses assigned in FY25

Highlights

FY25 ethics and compliance

Refreshed
Code of Conduct training

Launched
first enterprise-wide Global Integrity & Compliance Week

Continued
equipping managers with an Ethical Leadership Guide and toolkit

Delivered
ongoing ethics live trainings and communications across multiple channels

Collected
annual Code of Conduct questionnaires from senior leaders

Conducted
an enterprise-wide integrity survey to assess program effectiveness

Celebrated
team members who demonstrate strong commitment to integrity and compliance through our Integrity Champions program

FedEx was recognized by Ethisphere as one of the **2026 World's Most Ethical Companies** for the fourth consecutive year.

2026 WORLD'S MOST ETHICAL COMPANIES® ETHISPHERE 4-TIME HONOREE

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Embedding ethics into everyday operations

We take a proactive approach to compliance, integrating training and communication into everyday workflows, with core topics including anti-corruption, antitrust, conflicts of interest, data privacy, speaking up, and non-retaliation.

In FY25, we launched our first enterprise-wide Global Integrity & Compliance Week and expanded ethics messaging across digital channels. We continued to reinforce ethical leadership through global management communications and engagement efforts.

Monitoring, accountability, and continuous improvement

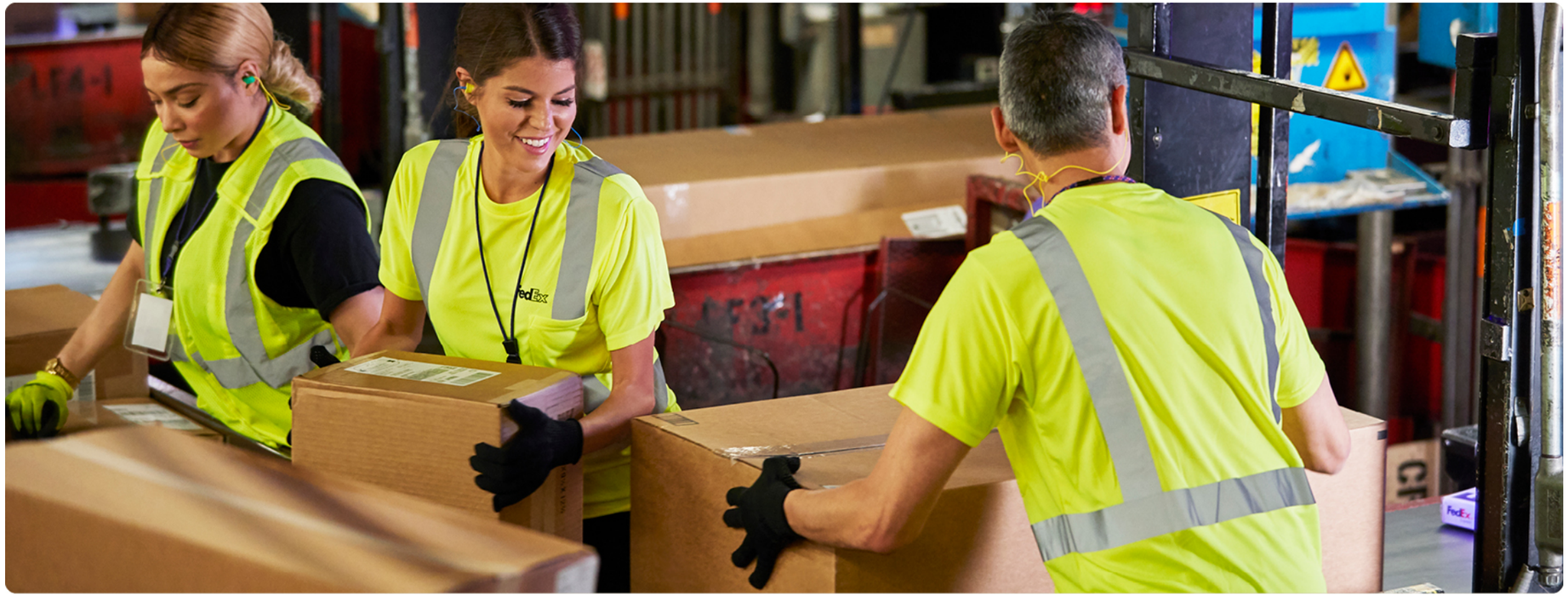
Our speak-up culture, grounded in transparency and accountability, makes it easy for team members and stakeholders to raise issues and be confident that those concerns will be addressed. Our open-door policy encourages team members to speak directly with managers, HR, or Legal about suspected violations of law, policy, or our Code of Conduct.

The FedEx Alert Line provides another way for employees, contractors, and suppliers to report concerns. It operates as a confidential, 24/7 channel for reporting (via phone or web) and is available in over 40 languages. Anonymous reporting is available in most countries, subject to local legal requirements.

In FY25, we received approximately 20,000 reports through these channels. We review every report received and take appropriate action when merited. Retaliation against anyone who raises concerns in good faith is strictly prohibited. We monitor and communicate trends in type, volume, and outcomes of these reports, as part of our ongoing effort to provide transparency and strengthen our compliance program.

Regular risk assessments identify compliance risks and potential gaps in controls in our operations.

Using data-driven analysis, defined metrics, and leadership engagement focused on specific risk areas, we assess the design and operating effectiveness of controls, implement appropriate remedial actions, and inform risk-based strategic planning across our compliance programs. Risk assessment results are reported to executive leadership and the Audit and Finance Committee. Regional and subsidiary compliance teams also provide regular updates to Executive Compliance Committees on emerging risks, metrics-based program performance, significant investigations, and ongoing compliance program initiatives.



Learn more about our integrity and compliance efforts:

FedEx Code of Conduct

Supplier Code of Conduct

Global 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

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AI, cybersecurity, and data privacy

Securing our digital environment

FedEx takes a proactive approach to protecting digital infrastructure and safeguarding stakeholder data. The Board's Cyber and Technology Oversight Committee reviews enterprise cyber and technology-related risks, while our Information Security (InfoSec), Global Privacy & Data Compliance, and Internal Audit teams work in close coordination to assess compliance, strengthen controls, and ensure enterprise-wide alignment with evolving regulations.

In FY25, we advanced efforts to unify data governance and support regulatory readiness through ongoing program updates and cross-functional collaboration. Our teams monitor the global regulatory environment to help ensure compliance with applicable privacy, cybersecurity, and data protection rules.

93%
of eligible FedEx employees **trained on cybersecurity and data privacy issues** in FY25

Expanding responsible AI governance

We continued to strengthen our enterprise-wide approach to generative AI governance. In FY25, we launched a required AI Literacy Program for all team members, supporting the safe, effective use of emerging tools. Our cross-functional AI governance team — spanning Legal, InfoSec, Privacy, and FedEx Dataworks — reviews and manages internal requests in line with our global AI policy.

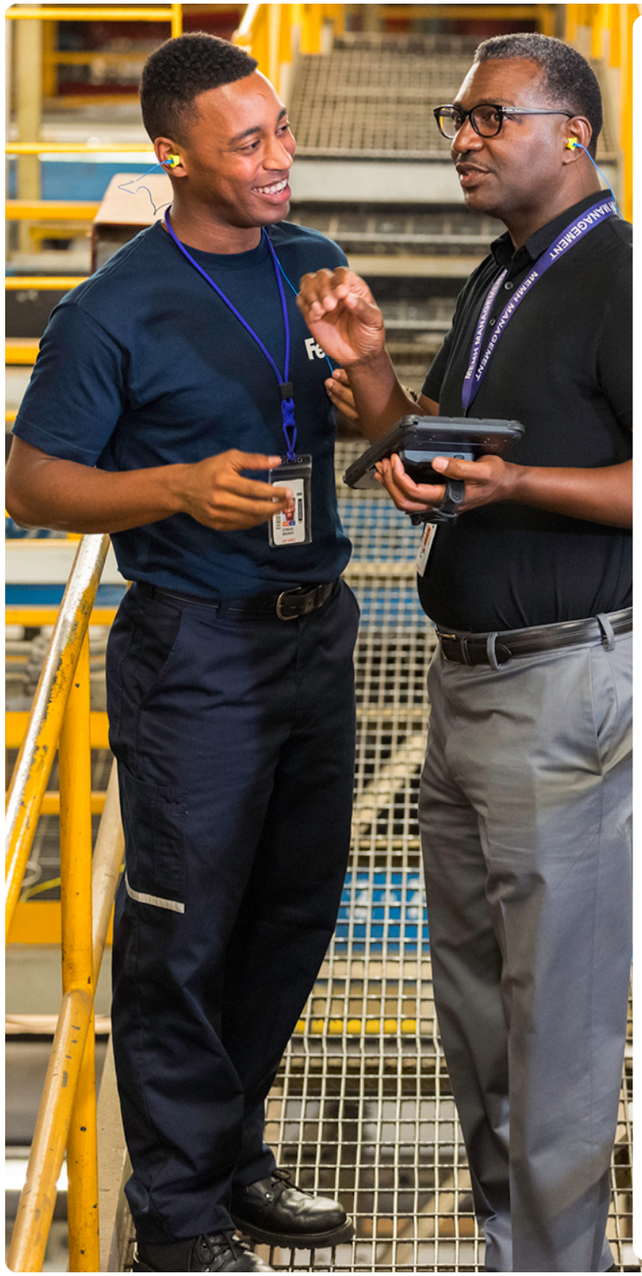
We also expanded the use of our internal GenAIHub platform to support operational efficiency and secure, compliant adoption of AI-enabled solutions across teams.

Building awareness, readiness, and resilience

Ongoing education and incident preparedness are critical to maintaining trust. In FY25, FedEx conducted enterprise-wide cybersecurity simulations on ransomware to contained breach scenarios with participation from the Board's Cyber and Technology Oversight Committee.

We updated personal data incident response procedures in FY25 to better align stakeholder playbooks and regulatory reporting requirements. Team members complete mandatory annual training on information security, data privacy, and incident reporting, reinforced by phishing simulations, password management education, and other risk-based learning initiatives for our employees around the world.

Cybersecurity and data privacy training resources are also extended to select business partners and affinity groups, helping strengthen awareness and resilience across the broader FedEx ecosystem.



Highlights

AI, cybersecurity, and data privacy

Launched enterprise-wide AI Literacy Program

Conducted enterprise cybersecurity simulations with the Board's Cyber and Technology Oversight Committee

Updated incident response procedures to strengthen regulatory readiness

Maintained ISO/IEC 27001:2022 certification for global security systems

Released security standards aligned with ISO 42001 AI standards and EU AI Act

Learn more about our approach to AI, cybersecurity, and data privacy:

Global Privacy Policy

FedEx Global Privacy Notice

Cyber and Technology Oversight Committee Charter

Binding Corporate Rules for Customer, Supplier, and Vendor Data

FedEx Trust Center

Information Privacy webpage

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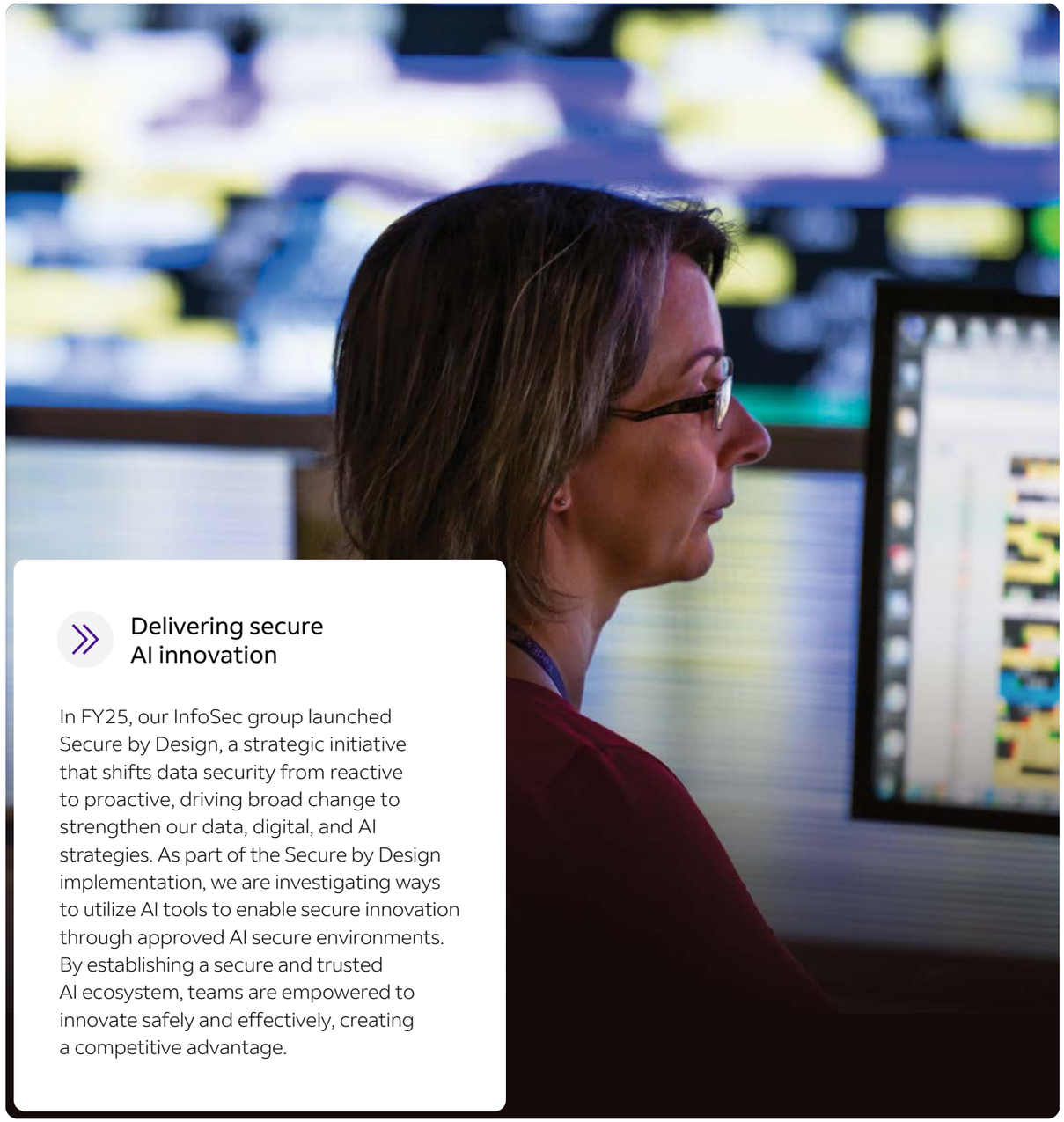

Delivering secure AI innovation

In FY25, our InfoSec group launched Secure by Design, a strategic initiative that shifts data security from reactive to proactive, driving broad change to strengthen our data, digital, and AI strategies. As part of the Secure by Design implementation, we are investigating ways to utilize AI tools to enable secure innovation through approved AI secure environments. By establishing a secure and trusted AI ecosystem, teams are empowered to innovate safely and effectively, creating a competitive advantage.

Public policy and advocacy

FedEx actively engages in the political process to promote long-term economic value for our customers, team members, investors, and the communities we serve around the world. Our Governance, Safety, and Public Policy Committee oversees political activities and expenditures, ensuring alignment with corporate values and risk management priorities.

The Government and Regulatory Affairs department, reporting to our Executive Vice President, General Counsel, and Secretary, tracks public policy and legislative trends around the world. In collaboration with senior business leaders, the team develops action plans aligned with our strategic goals and long-term priorities. We advocate for policies that impact our business and foster global trade to ensure supply chains remain open and protected from disruption.

We oversee our own direct political spending and our participation in trade associations. We do not direct the political activities of these organizations and may not align with every position they take; rather, we focus our engagement on issues that align with our mission, values, and long-term interests.

Additional detail is available in our Policy on Political Contributions and on our Public Policy and Advocacy webpage

Policy engagement in focus

FedEx engages on a broad range of policy issues relevant to our global operations, including but not limited to:

- Aviation
- Trade
- Surface transportation
- Technology and innovation
- Tax and economic policy
- Sustainability
- Security
- Postal reform

Additional detail is available on our Policy Perspectives webpage

Climate advocacy

We support pragmatic and well-designed climate policies that enable progress toward a more sustainable transportation sector. FedEx engages directly with policymakers and industry groups to advance effective regulation in support of our climate ambitions.

For more on our climate-related strategy and advocacy, see our latest CDP Climate Disclosure.

Learn more about our public policy oversight:

Investor Relations webpage

Policy Perspectives webpage

Governance, Safety, and Public Policy Committee Charter

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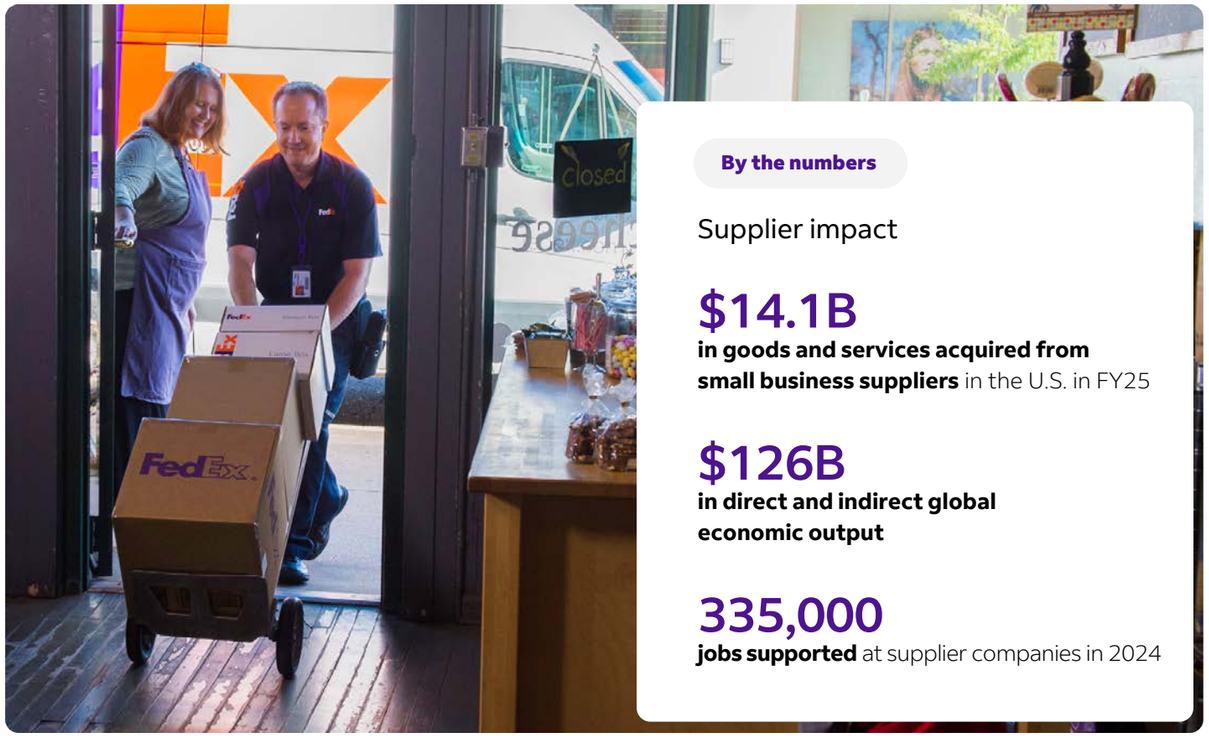
Supply chain responsibility

Creating shared value across our global supply chain

FedEx depends on a global network of approximately 100,000 direct suppliers to keep our operations running reliably and efficiently. The majority of these are small- and medium-sized businesses, which play a critical role in strengthening our network and enabling us to serve customers around the world.

Our Supplier Management team leads policies and governance processes that identify and mitigate supply chain risks. These efforts help ensure we partner with suppliers who uphold high standards of ethics, labor practices, and environmental responsibility.

In FY26, FedEx launched sustainability training for procurement professionals to deepen internal knowledge and enhance supplier engagement on environmental and social issues. 100% of supplier and procurement team members completed sustainability training in 2026. Our Supplier Management and Procurement teams continue to embed sustainability into sourcing strategy and day-to-day operations.



By the numbers

Supplier impact

$14.1B
in goods and services acquired from small business suppliers in the U.S. in FY25

$126B
in direct and indirect global economic output

335,000
jobs supported at supplier companies in 2024

Upholding standards through the Supplier Code of Conduct

Our Supplier Code of Conduct outlines expectations for ethics, labor practices, health and safety, human rights, and environmental responsibility. We require all sourcing-managed suppliers to acknowledge and uphold these principles in their contracts. Our teams monitor compliance and collaborate with suppliers to reinforce shared commitments.

Advancing sustainability across our supply chain

FedEx integrates environmental and social sustainability into procurement processes across the enterprise. We screen sourcing-managed suppliers against FedEx sustainability standards and regularly engage with priority suppliers to identify opportunities for improvement and innovation. Through the one FedEx transition, we have aligned sustainable sourcing metrics and practices more consistently across our global network.

We are a founding member of the Sustainable Purchasing Leadership Council (SPLC) and serve on its Strategic Advisory Committee. We also follow ISO 20400 guidance on sustainable procurement and routinely request data from key suppliers to help identify and manage sourcing risks.

SPLC recently named FedEx a distinguished recipient of its 2025 Leadership Award in the Circular Economy category for an electronic waste collection pilot in 2024 at a FedEx Supply Chain facility.

Supporting small business growth

Small- and medium-sized suppliers are essential to our operational resilience and economic impact. Beyond sourcing, we empower entrepreneurs through FedEx Cares programs that deliver training, tools, and funding to help small businesses thrive.

Delivering progress

FedEx supports small businesses through targeted programs that offer funding, connections, and tools for growth. Key initiatives include:

FedEx E-Commerce Learning Lab with Accion Opportunity Fund:
Since its inception in 2021, this program has provided e-commerce expertise to over 11,000 people through a combination of training, coaching, and nearly $2 million in grant capital.

Inner City Capital Connections:
Since 2017, FedEx has supported 15 cohorts across the U.S., including in Memphis, Dallas, and Miami, helping over 759 businesses raise $39 million in new capital.

FedEx Entrepreneur Fund & Boost Camp:
In collaboration with Hello Alice and the Global Entrepreneurship Network, this program has awarded $900,000 to small businesses.

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Our planet

Delivering a more sustainable, connected future

FedEx is fundamentally redesigning our networks for the future. As we scale more flexible and intelligent operations, we are creating smarter supply chains designed to improve efficiency and reduce impacts. We are innovating now to deliver more resilient and sustainable value over the long term for our business, customers, and the global economy. These efforts reflect a coordinated approach to improving how we operate while adapting to changing customer needs and global conditions.

Strong environmental governance helps ensure this mission is embedded across our strategy, planning, and operations.

In this section

Environmental governance and oversight

Strategic approach to climate change

Air operations

Surface operations

Facilities

Investing in carbon removal solutions

Sustainable customer solutions

Select sustainability initiatives across the globe

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Environmental governance and oversight

Integrating environmental priorities across the enterprise

The FedEx Board of Directors has delegated to its committees responsibility for the oversight of specific aspects of our sustainability activities that fall within the committees' areas of responsibility. The Governance, Safety, and Public Policy Committee oversees our sustainability goals, strategies, programs, and disclosures and the management of sustainability- and climate-related risks. The Audit and Finance Committee reviews and regularly discusses with management developments regarding sustainability reporting and disclosures within the financial reporting framework.

The Executive Committee, chaired by our CEO, sets enterprise-level strategy in collaboration with the CSO. The strategy is further shaped by the Sustainability Stewardship Council (SSC), chaired by the CSO. This cross-functional group of senior executives oversees environmental strategy, drives decisions, and directs our disclosure roadmap. Our Sustainability Steering Committee gives the CSO a forum to collaborate with officers across the organization to drive integration into the organization and remove roadblocks.

Sustainability Impact Teams, composed of cross-functional experts, execute sustainability initiatives within their distinct operating areas and foster engagement across their functional areas.

FedEx also continues to integrate climate-related risk insights into governance and decision-making structures. Additional detail on our climate risk assessment methodology and scenario analysis is available in our TCFD Appendix. Together with our Environmental Management System, these efforts are designed to improve efficiency, reduce impacts, maintain compliance, and create long-term value.

Learn more about our environmental governance and oversight practices:

Environmental Policy

Sustainability website

Governance, Safety, and Public Policy Committee Charter

Audit and Finance Committee Charter

CDP Climate Disclosure

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Strategic approach to climate change

Steering the path forward

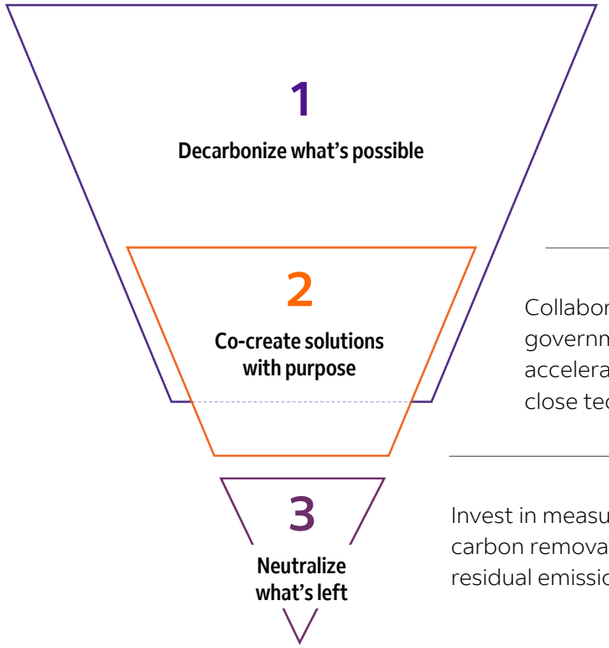
FedEx plays a vital role in connecting people and possibilities around the world. While this global reach drives economic growth and opportunity, it also carries responsibility, especially as the impacts of climate change become clearer and the need for action becomes more urgent.

We're advancing a long-term strategy to reduce our climate impact while scaling smarter, more efficient operations. Our enterprise-wide goal is to achieve carbon-neutral operations by 2040, encompassing Scope 1 and 2 emissions from our global operations, along with Scope 3 emissions from contracted transportation.

Our 2040 goal is supported by interim goals across our largest decarbonization levers, including air and surface fleet fuel usage, as well as energy used in our facilities.

Our climate strategy: Three guiding principles

To reach carbon-neutral operations by 2040, FedEx follows a clear and scalable framework built on three principles:



Prioritize emissions reductions through proven technology, efficiency, and fleet modernization.

Collaborate across industry, government, and academia to accelerate innovation and close technology gaps.

Invest in measurable, durable carbon removal solutions for residual emissions starting in 2040.

SBTi near-term targets validated

SBTi has validated our near-term science-based emissions reduction targets, reinforcing our broader climate strategy and our goal to **"decarbonize what's possible."**

For more information on our targets, visit the SBTi Target Dashboard.

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Improving efficiency across our operations

FedEx is advancing efficiency efforts across our air, surface, and facility operations that support emissions reductions and our 2040 carbon-neutral operations goal. We employ intelligent modeling and other operational strategies to reduce inefficiencies, while we prioritize integrating proven emissions-reducing technologies.

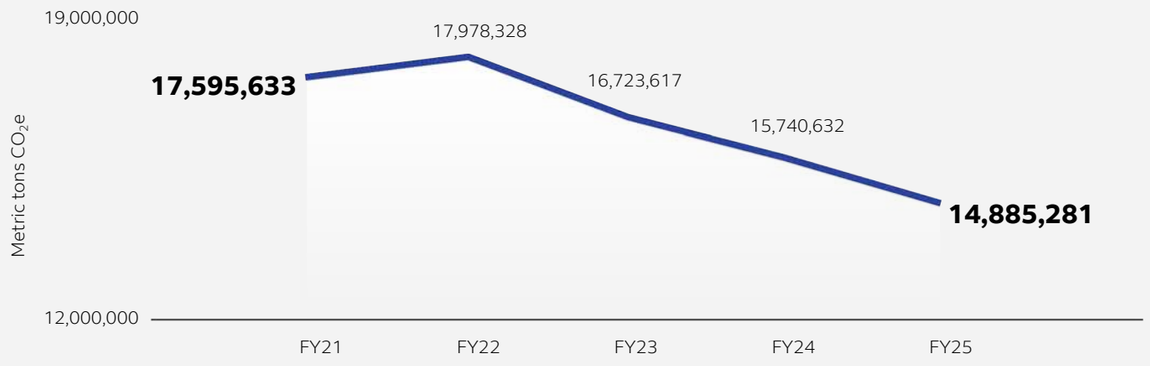
Since setting our carbon-neutral operations goal five years ago, emissions from FedEx-controlled operations have declined by more than 15% while delivering strong revenue growth, reflecting steady progress across multiple network levers and demonstrating that our sustainability initiatives support our business objectives.

These efforts build on two decades of work. Since 2009, we have reduced Scope 1 and 2 emissions intensity on a revenue basis by 60% while growing daily package volume by more than 124% and growing revenue by 147%. These gains reflect our ability to scale operations efficiently while lowering emissions and growing our business.

In FY25, we continued our ongoing efforts to optimize our network, including Network 2.0 and Tricolor. These efforts are designed to improve the efficiency of our parcel and freight pickup and delivery (PUD) operations and air network. Now in the fourth year of integrating our legacy FedEx Express and FedEx Ground networks in North America, we are actively streamlining routes, which lowers our cost to serve, and enhancing connectivity across our operations and teams. Network 2.0, Tricolor, new alignments in Europe, and other efforts support our multiyear transformation to integrate and optimize our global network.

Absolute emissions reduction since 2021

Scope 1 & 2 emissions (location-based)



15%
reduction in Scope 1 and Scope 2 location-based emissions since setting our 2040 target

Reduction in emissions intensity since FY09

Scope 1 & 2 emissions (location-based)

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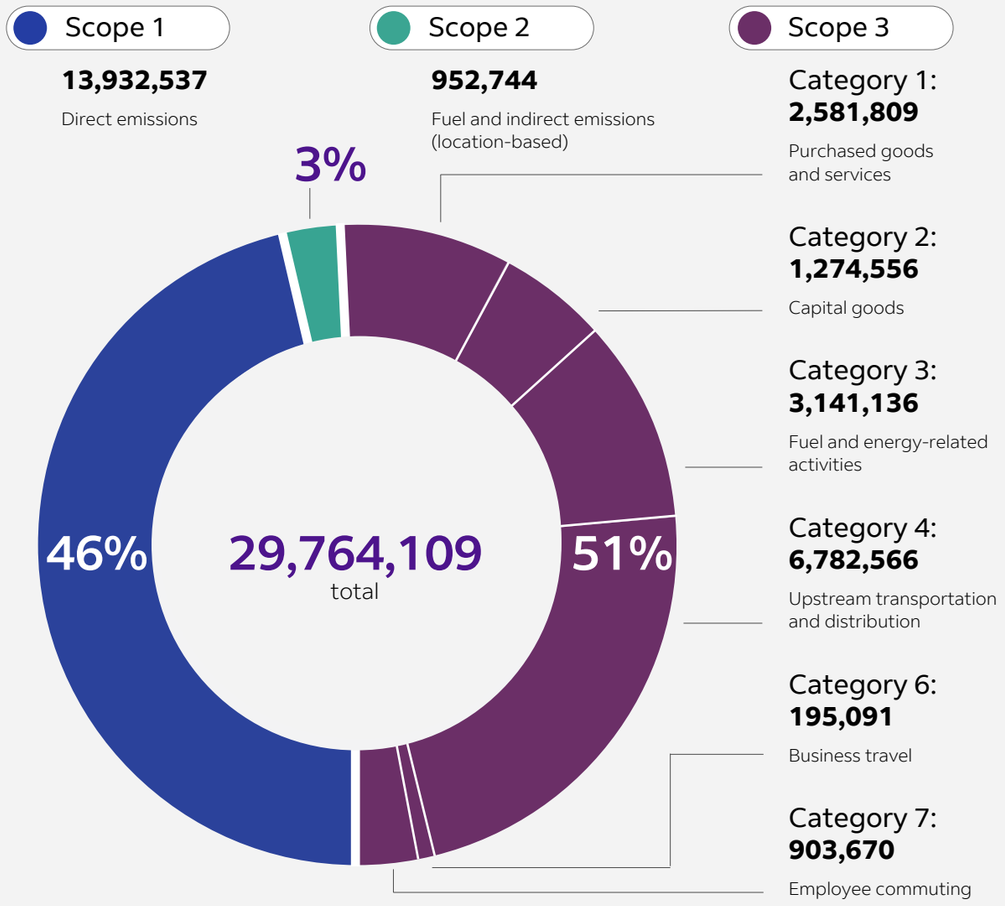
Our emissions footprint and reporting

Our FY25 reporting continues to expand our Scope 3 emissions coverage, building on efforts that began in FY24. These updates have improved the completeness of our footprint by incorporating additional Scope 3 categories.

We have also continued automating our data collection processes to improve consistency, data quality, timeliness, and audit readiness of reporting across our global operations. These enhancements strengthen the completeness and transparency of our reporting. We anticipate finalizing our Scope 3 inventory expansion next year.

FY25 GHG emissions overview

Metric tons CO_2e



Climate risk and transition planning

In FY25, we conducted a climate risk and scenario analysis to assess potential long-term business, network, and financial exposures. These insights will inform our enterprise-wide Climate Transition Plan and support future investment decisions.

For more on our climate risk methodology, scenarios, assumptions, governance, and key findings, see our TCFD Appendix.

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Air operations

Reducing emissions and operating costs across our air network

Owned aircraft operations represent the largest share of our Scope 1 emissions footprint, accounting for approximately 79% of total Scope 1 emissions. They also account for a significant portion of operating costs, particularly due to aviation fuel. Improving aircraft efficiency is central to reducing emissions and strengthening long-term cost efficiency and operational resilience. As FedEx continues to re-engineer its network using intelligent technologies and progressive operational improvements, aviation efficiency remains a critical driver of both environmental performance and business value.

In FY25, Scope 1 emissions from aviation operations declined by approximately 8% year over year, reflecting in part our aircraft modernization efforts and network optimization under our Tricolor strategy. Tricolor is our global redesign of the intercontinental air network, allowing us to flex our network as customer preferences and trade patterns change. This approach aligns with our broader network transformation strategy, helping ensure that capacity, routing, and service levels are matched more precisely to demand.

To deliver sustained efficiency gains, FedEx continues to pursue a disciplined, multi-lever approach that prioritizes aircraft modernization, operational optimization, and the phased integration of lower-carbon fuels. These efforts support our 2040 carbon-neutral operations goal and reinforce our broader commitment to innovation, safety, and service reliability.

FedEx Tricolor strategy

We utilize three distinct systems, aligning services to the right aircraft and capacity type in the right lanes, with fewer miles traveled and fewer touches:

Purple Tail Network:

Moves our highest-value shipments on FedEx-owned aircraft through our premium night sorts.

Orange Tail Network:

A two- to three-day network or a truck-fly-truck system where we fly into our day sorts.

White Tail Network:

Mostly a point-to-point system moving deferred parcels and freight via third-party commercial passenger airlines.

Our aviation goals and progress

FedEx is advancing a set of aviation-specific goals as part of its broader commitment to carbon-neutral operations by 2040. These targets focus on reducing aircraft emissions intensity, transitioning to lower-emission fuels, and modernizing the company's global fleet.

GOALS

BY 2030
30%
of jet fuel blended from alternative sources

BY 2032
100%
phase 3 retirement of all three-engine aircraft (MD-11)

BY 2034
40%
reduction in aircraft emissions intensity

PROGRESS

16.5M
gallons of blended SAF across the U.S. at a 30% blend minimum

32%
reduction in aircraft emissions intensity since 2005

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Aircraft fleet modernization: Investing in more efficient aircraft

Modernizing our fleet of nearly 700 aircraft remains one of the most impactful ways to improve fuel efficiency while reducing emissions and operating costs. By replacing older, less efficient models with newer, more efficient models, we're minimizing GHG and other air emissions, reducing noise impacts, and enhancing network reliability.

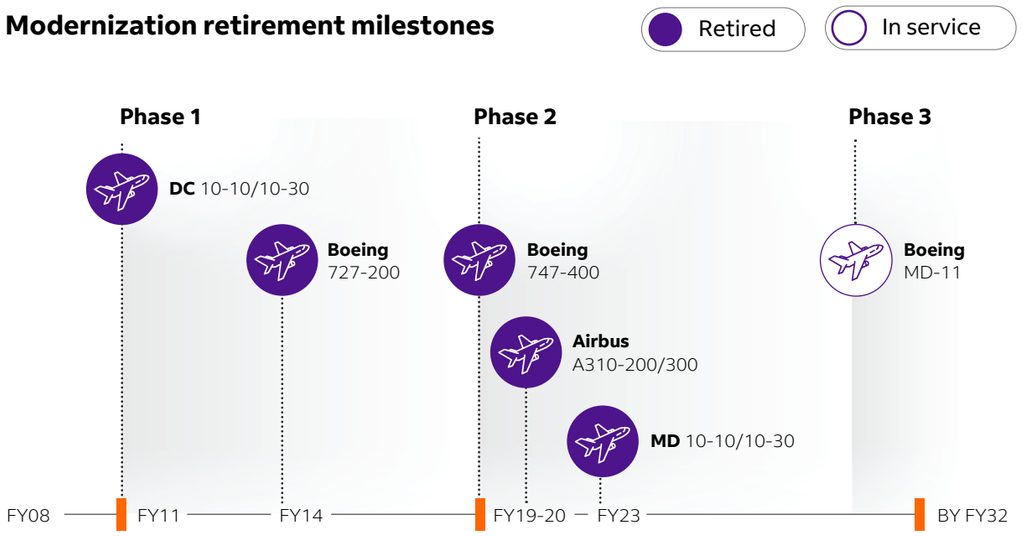
In FY25, FedEx avoided approximately 1.1 million metric tons of CO_2e and saved approximately $284 million in fuel costs through aircraft modernization efforts. This included the ongoing retirement of less efficient three-engine aircraft and the integration of newer, lower-emission models that reduce emissions per package-mile.

These efforts build on our multiyear modernization program and advance our three-phase strategy for our remaining three-engine aircraft, which remains on track for completion by 2032.

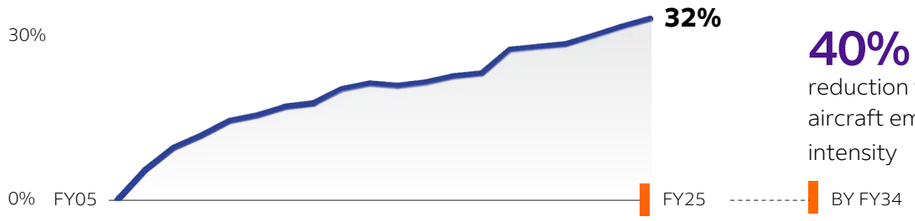
~$300M
in FY25 savings from fleet modernization and fuel-saving efforts

In FY25, we saved over **120 million gallons** of jet fuel and prevented over 1.2 million metric tons of CO_2e emissions through our aircraft modernization and fuel-saving efforts.

Modernization retirement milestones



Percent reduction in aircraft emissions intensity



40%
reduction target in aircraft emissions intensity

FedEx Fuel Sense: Saving fuel through smarter flying and real-time data

The FedEx Fuel Sense program, launched in 2006, is a core component of our long-term strategy to improve fuel efficiency and execute ongoing operational efficiency measures that translate directly to fuel savings and reduced emissions. Built on operational discipline and years of historical fuel-related data, Fuel Sense has delivered cumulative savings of approximately 989.9 million gallons of jet fuel, equivalent to avoiding approximately 9.7 million metric tons of CO_2e, through a broad portfolio of fuel-saving initiatives.

Fuel Sense continues to deliver meaningful fuel savings, with many of its initiatives now codified into standard operating procedures, helping reduce emissions and improve network performance while maintaining operational excellence.

Key initiatives include using real-time data to optimize flight routing based on winds, weather, traffic, and fuel burn efficiency, as well as implementing automated fuel-tracking systems that replaced paper fuel slips to streamline fueling and improve consumption data accuracy.

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Sustainable aviation fuel: Powering flights with lower-emission alternatives

Beginning in May 2025, FedEx executed five sustainable aviation fuel (SAF) offtake agreements designed to bring more than 16.5 million gallons of blended SAF deployed at a minimum blend ratio of 30% online across five U.S. airports: Los Angeles (LAX), Chicago O'Hare (ORD), Miami (MIA), Dallas Fort Worth (DFW), and New York-JFK International (JFK). These efforts support our goal to source 30% of jet fuel blended with alternative sources by 2030.

In addition to voluntary procurement, FedEx complies with mandated SAF blending requirements in several international locations within the European Union and the United Kingdom.

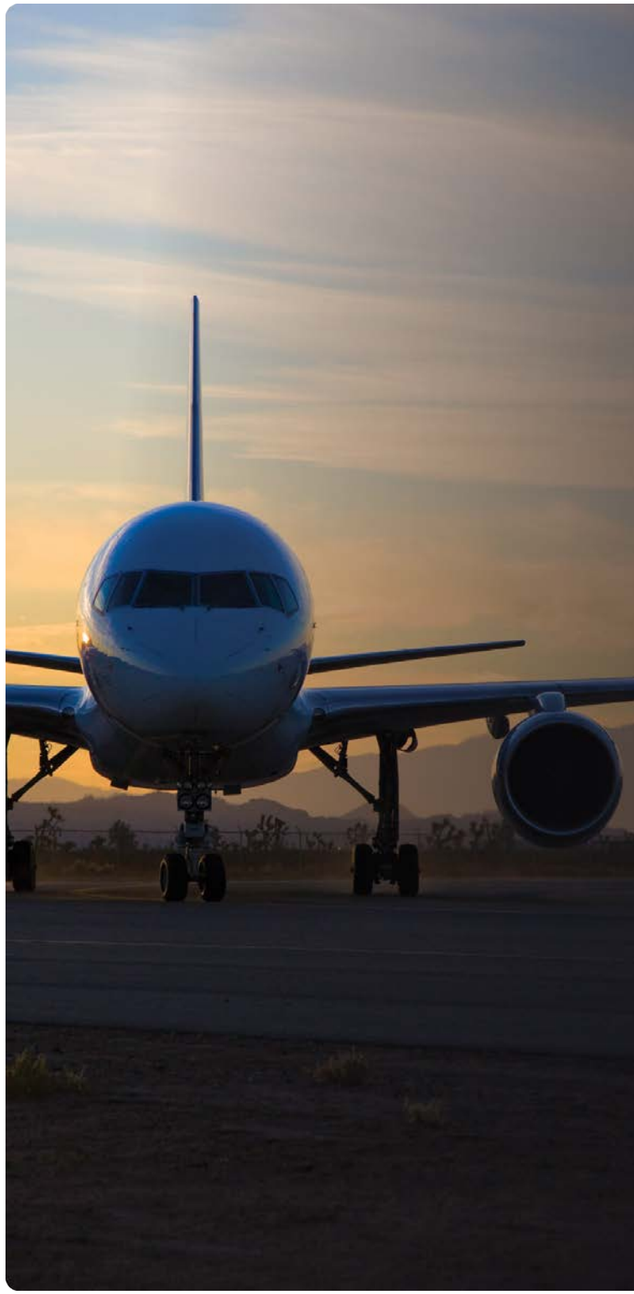
We continue to work closely with industry coalitions, governments, and non-government organizations to scale SAF supply and signal long-term demand for low-carbon fuel innovation. According to estimates from the International Air Transport Association (IATA), SAF represents approximately 0.7% of all jet fuel used worldwide and needs to scale significantly in order to lower the environmental impact of the aviation sector. Concerted support must be part of global policy frameworks, including incentives to increase production, in order for this crucial SAF market to continue to grow.

We are encouraged by the work that ASTM International is doing to revise blend rates and allow for a "drop-in" solution that is safe for use in existing aircraft without modifications, and we support broader industry efforts to scale SAF supply through participation in initiatives such as the First Movers Coalition (Aviation Sector) and the IATA SAF registry. This would enable our industry to use 100% SAF without needing to blend it with conventional kerosene. We anticipate this will greatly reduce supply chain complexity and improve the overall sustainability performance of our sector.

SAF in action

In 2025, FedEx launched its first major U.S. deployment of SAF, securing over 3 million gallons of blended SAF from Neste at LAX. The agreement covered nearly 20% of our annual jet fuel use at the airport.

With the fuel deliveries to DFW that began in December 2025, FedEx became the first airline — cargo or passenger — to begin purchasing SAF at that airport outside of a pilot project.



Future of sustainable aviation

FedEx support for the scientists at the Yale Center for Natural Carbon Capture (YCNCC) includes exploring industrial carbon utilization pathways to convert CO_2 into plastics, chemicals, and fuels. Oxylus Energy, a start-up spun out of Yale, focuses on converting CO_2 into methanol, which can then be upgraded for use as sustainable aviation fuel. Founded by Yale alumni, Oxylus introduces a novel catalyst developed in the lab of Yale Chemistry Professor Hailiang Wang and supported by YCNCC funding.

FedEx also continues to engage with other start-ups and manufacturers who look at ways to decarbonize aviation, including emerging propulsion technologies. While fully electric and hydrogen-powered solutions for larger aircraft currently face payload and range constraints, hybrid-electric configurations may offer viable near-term applications in smaller feeder aircraft. The emerging eVTOL sector, or Electric Vertical Take-Off and Landing, is also contributing to Federal Aviation Administration (FAA) certification pathways for electric propulsion systems. FedEx will continue monitoring progress and share operational insights with these original equipment manufacturers (OEMs) as technologies mature.

Learn more about our aviation strategy and aircraft modernization efforts:

Our Roadmap to 2040 webpage

Reducing Aviation Emissions webpage

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Surface operations

Building a more efficient global ground fleet

FedEx operates a global ground fleet of more than 200,000 vehicles, including PUD vans, long-haul trucks, airport ground equipment, and off-road vehicles. Emissions related to FedEx owned and contracted surface vehicles account for approximately 23% of our total GHG footprint. Our approach prioritizes pairing the right vehicle with the right route while balancing emissions reduction, local regulatory requirements, and performance demands.

In FY25, FedEx continued its phased approach to fleet electrification. During this time, 50% of all purchase orders issued for our owned PUD fleet were for electric vehicles (EVs). FedEx now operates nearly 9,500 on- and off-road EVs across our global fleet. These milestones reflect continued progress during a period of significant network transformation, closely aligned with our broader network redesign, which is reshaping how fleet and infrastructure are deployed across our operations.

Optimizing our surface operations for the future

Network 2.0 is fundamentally reshaping our fleet composition and deployment through a multiyear effort to transform our surface operations by integrating our legacy Express and Ground operations into one unified network. This effort is central to our enterprise-wide effort to reduce redundancy, improve asset utilization, and align operations with shipment demand.

In FY25, Network 2.0 efforts successfully delivered full consolidation in Canada, and approximately 25% of volume is moving through optimized stations in the U.S. Looking ahead, all remaining major markets in the U.S. will be integrated by the end of CY27. During this time, we expect to reduce our owned fleet size.

With this transformation accelerating over the next two years, FedEx is reevaluating the timing and sequencing of additional charging infrastructure investments within the U.S. We are aligning future charging build-outs with a more efficient facility footprint and ensuring that EV deployment is aligned with improved route design and evolving network requirements. As Network 2.0 continues to streamline PUD operations and reduce route redundancies, fleet requirements are evolving alongside a more efficient operating model.

As a result, we are reassessing the pace and scale of EV purchases against our previously stated 2030 EV purchase order goal. Future deployment plans and associated goals will be refined as the network redesign progresses toward completion in 2027.

Our vehicle goals and progress

FedEx takes a phased approach to vehicle electrification. By 2040, our aim is to operate an all-EV pickup and delivery fleet. We successfully met our first milestone and will continue to reassess the future pace and scale of purchases during the final phase of Network 2.0 optimization.

GOALS

BY 2030

100%

of FedEx parcel PUD purchase orders are EVs

BY 2040

100%

of all FedEx parcel PUDs are electric, including contracted transportation

PROGRESS

50%

of all FedEx PUD purchase orders were for EVs in 2025, meeting our 2025 goal

9,446

total on- and off-road **EVs operating globally**

EVs now operate across six continents where FedEx has operations

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Piloting the future of last-mile delivery

In CY25, we deepened collaboration with leading vehicle manufacturers to co-develop EVs that are better suited to the demands of our Network 2.0 optimization strategy, which aims to improve delivery efficiency by redesigning routes and aligning vehicle capacity with shipment volume. By replacing smaller delivery vans with fewer, larger, more efficient vehicles, we aim to optimize fleet size while maintaining high service levels. However, larger vehicles introduce additional considerations related to battery capacity, payload, and range, as EV technology continues to evolve in the medium-duty space.

To help address this gap, FedEx made a strategic investment in Harbinger Motors through its $160 million Series C funding round, supporting the development of medium-duty EV solutions, including an initial order of 53 trucks. The California-based start-up manufactures U.S.-built stripped chassis designed for integration into customized delivery vehicles.

Long-haul fleet: Piloting solutions for distance, durability, and decarbonization

In its current form, electrification is most mature in light-duty PUD vehicles, where battery range and payload factors meet the demands of today's last-mile deliveries. FedEx is also piloting new solutions to address emissions with heavier-duty vehicles, including new battery configuration and lower-carbon drop-in fuels. This phased strategy reflects real-world constraints, including vehicle range limitations, battery weight considerations, grid capacity availability, and OEM production timelines. These efforts are aligned with broader network optimization initiatives, ensuring that long-haul fleet strategy evolves in step with changes to routing, volume flows, and facility infrastructure.

In FY25, FedEx continued testing heavy-duty electric trucks across multiple markets, including deployments of Class 7 and 8 electric trucks in the U.S. and expanded trials of the eActros 300 electric tractor from Mercedes-Benz Trucks in Europe.

Beyond EV adoption, FedEx continues testing drop-in alternative fuels, including renewable diesel and hydrotreated vegetable oil (HVO), and offering blends of biodiesel in our fueling islands, while alternative technologies evolve for heavy-duty deliveries. In FY25, we deployed over 3.2 million liters of HVO in Europe, delivering certified lifecycle carbon emissions reductions of at least 80% compared to diesel. These approaches help reduce emissions today while the company evaluates long-term electrification pathways for heavy-duty applications.

Alternative fuels in heavy-duty operations

As we advance toward lower-emission operations, alternative fuels provide practical solutions for heavy-duty vehicles and long-haul applications where full electrification is not yet feasible at scale. Renewable fuels allow us to reduce emissions from existing vehicles while maintaining operational performance.

At a glance

HVO
Used in linehaul fleets in the United Kingdom and the Netherlands

Drop-in renewable diesel alternative that requires no engine modifications

Delivers at least 80% lifecycle carbon emissions reduction compared to diesel

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Facilities

Reducing the environmental impact of our physical footprint

FedEx currently operates more than 5,000 facilities worldwide, including air and ground hubs, local stations, freight service centers, and retail locations. While facility operations account for a smaller share of our total emissions footprint (approximately 6% of our total footprint in FY25), our physical footprint also presents an opportunity to improve energy efficiency, scale renewable energy, and strengthen operational resilience.

In FY25, we saved over 880 terajoules from lighting retrofits and energy management systems. These efforts support our enterprise Scope 2 emissions reduction goals and are being advanced alongside the implementation of Network 2.0, which will help reduce redundancies across the network, optimize facility utilization, and improve overall energy performance. This work is also being coordinated with fleet and routing strategies to help ensure infrastructure supports a more efficient, integrated network.

By the end of CY27, we plan to optimize more than 900 stations, and we expect to close over 475, which represents an approximate 30% reduction in our facility footprint. We anticipate this will also reduce the overall emissions associated with energy use in our facilities while supporting a more efficient and integrated operating network.

Renewable energy: Scaling through generation and procurement

FedEx is actively investing in renewable energy through a diversified strategy that includes on-site solar, off-site generation, utility collaborations, and exploring virtual power purchase agreements and options for energy attribute certificates (EACs/RECs). This flexible approach allows us to pursue the most efficient and cost-effective path to emissions reductions across our footprint. It also allows us to align renewable energy investments with evolving facility needs as our network transformation progresses.

We evaluate renewable investments across both owned and leased facilities, factoring in grid system design capabilities, real estate models, utility market structures, and regional renewable energy policies and incentives.

Advancing our renewable energy roadmap

We are executing a portfolio-based energy strategy to increase renewable electricity generation and procurement across our facilities, while building the foundation for long-term electrification and grid resilience. In FY25, we:

Advanced contract discussions across multiple renewable procurement channels as part of our long-term energy roadmap.

Reviewed utility contracts to identify where we are already sourcing renewable energy with verified proof of supply.

Expanded to 13 new facilities across Europe. Solar panels were installed at four of these sites, while EV charging infrastructure totaling 67 chargers was deployed to support the rollout and operation of electric vehicles across the network.

Our facilities goals and progress

FedEx is advancing a phased renewable energy transition across our global facilities footprint to support our commitment to carbon-neutral operations by 2040.

GOALS

BY 2028
Source
500 GWh
of renewable electricity

BY 2033
Source
1,300 GWh
of renewable electricity

BY 2040
Source
100%
of facility electricity from renewable sources

PROGRESS

96.7 GWh
of renewable electricity sourced in FY25

37
FedEx facilities generated on- or off-site solar energy in FY25, up from 34 in the prior reporting period

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Energy and waste management: Optimizing performance across a global footprint

FedEx continues to strengthen energy and waste management across its global network through a combination of enterprise programs, local innovation, and cross-functional collaboration. We maintain ISO 14001 certification for environmental management systems at all of our U.S. airport hubs and many of our global hubs. Over 43% of our daily volume flows through these locations. We have also achieved over 30 consecutive years of ISO 9001 certification for quality management, a milestone unmatched in the transportation industry.

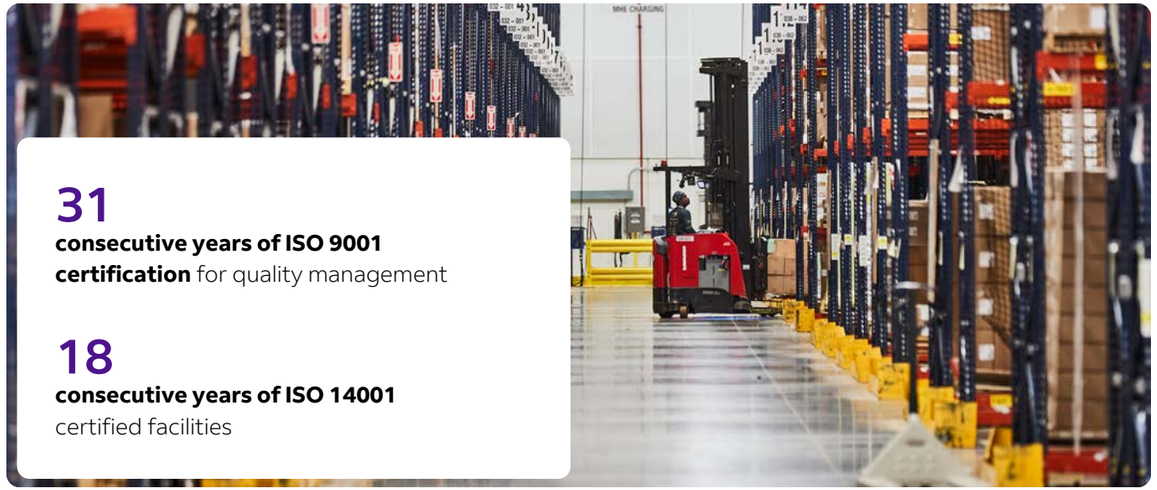
We continue integrating green building principles, including the Leadership in Energy and Environmental Design (LEED) standard in the U.S. and the Building Research Establishment Environmental Assessment Method (BREEAM) standard in Europe, into new construction and major facility renovations where feasible.

At a glance

In FY25, we advanced key initiatives to improve energy performance and reduce waste:

Lighting retrofits:
We neared completion of our LED lighting retrofit initiative, with the final 30 facilities expected to complete upgrades by end of year. These efforts are part of our multiyear DRIVE program.

HVAC modernization:
We are preparing to conduct a full-system heating, ventilation, and air-conditioning (HVAC) study to evaluate energy-saving opportunities across a broader set of facility equipment — building on prior exploratory work focused on fan performance.



31
consecutive years of ISO 9001 certification for quality management

18
consecutive years of ISO 14001 certified facilities

Facility resiliency: Investing in readiness as climate risks rise

As the physical impacts of climate change increase, FedEx is investing in infrastructure and systems to maintain business continuity and support communities during extreme weather. In FY25, we made notable progress:

Memphis Hub Substation launch (FY26):
We brought a new substation online at our Memphis Hub, reducing strain on the local grid and improving operational reliability during peak demand and weather-related disruptions. This investment supports long-term grid resilience and reduces reliance on diesel-based backup generation during peak demand or severe weather events.

On-site generators:
Our Lehigh Valley facility successfully brought its first natural gas system online, further diversifying on-site generation capacity. We continue evaluating additional on-site generation and resilience technologies, including combined heat and power systems and natural gas generators, to support continuity during grid disruptions and extreme weather events.

Learn more about our facilities strategy and energy transition efforts: Facilities webpage

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Investing in carbon removal solutions

Even if we deploy all decarbonization efforts at our disposal, there will still be emissions remaining in 2040. Therefore, we will need proven carbon removal solutions available for us to meet our carbon-neutral operations goal. If we don't invest and support this nascent technology today, it will not be available when we and our industry need to avert the worst impacts of climate change.

We have invested in science to advance measurable high-integrity carbon dioxide removal (CDR) and helped establish the Yale Center for Natural Carbon Capture (YCNCC) in 2021. The YCNCC plays a pivotal role in insuring that these removal solutions are credible, measurable, and scalable. We remain focused on nature-based and hybrid approaches with long-term potential, high integrity, and important co-benefits for communities, ecosystems, and economies.

Yale Center for Natural Carbon Capture: Five years of progress

YCNCC, founded in 2021 with a $100 million commitment from FedEx, is an interdisciplinary research hub advancing high-integrity CDR. Now in its sixth year, the Center has expanded its impact, attracting additional external funding and producing a growing body of peer-reviewed research that supports the development of credible, scalable carbon removal approaches.

YCNCC's work in enhanced weathering demonstrates how natural processes can be accelerated to remove CO_2 while supporting agricultural systems. Ongoing field activities are helping validate both carbon removal potential and co-benefits such as soil health and crop productivity, linking scientific research with real-world application.

In parallel, the Center is advancing research in blue carbon and marine CDR, including mangroves, wetlands, and ocean alkalinity enhancement. These efforts focus on long-duration carbon storage alongside broader ecosystem benefits, while continued investment in measurement and verification supports transparency and scientific rigor.

YCNCC strengthens long-term decarbonization strategies, mitigates transition risk, and reinforces leadership in science-driven climate solutions beyond operational efficiency alone.

Ebb Carbon

Start-up based on Professor Matthew Eisaman's research to store CO_2 in seawater while reducing acidity

PFAS remediation

Planavsky Lab demonstration project using enhanced weathering, plants, pyrolysis, and biochar to remove contaminants

Oxylus Energy

Based on YCNCC research, this start-up is on a mission to displace fossil fuels through the direct conversion of CO_2 into carbon-neutral fuels, providing decarbonization opportunities for hard-to-abate sectors like aviation and shipping

Enhanced weathering (EW)

Yale is leading 25+ field trials across the U.S. with farm-scale demonstrations in Virginia and Vermont

Mati Carbon

XPRIZE $50 million winner for carbon removal through EW, improving incomes, food security, and climate resilience for 16,000+ smallholder farmers

Malone Lab

Published four research articles on GHG fluxes, the movement of CO_2 and methane between ecosystems and the atmosphere, with particular focus on wetlands

Tropical deforestation

Professor Paulo Brando secured research funding and published five articles on tropical deforestation and sustainable agriculture in Brazil

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Sustainable customer solutions

Empowering smarter shipping decisions

On average, FedEx handles more than 17 million shipments per day across our global network.

We recognize that the transportation of those goods has environmental consequences, particularly in the form of emissions and waste. That's why we're expanding our tools, technologies, and packaging solutions to help customers reduce their environmental impact while meeting the demands of a growing e-commerce economy.

Our focus is on enabling smarter decisions across the shipping journey, from packaging selection to emissions visibility to fulfillment optimization.

solutions support customer sustainability goals and accelerate progress across our own value chain, particularly as regulatory and market pressures around Scope 3 emissions continue to evolve.

Smarter packaging, designed for circularity

FedEx integrates circularity principles into our packaging options, helping reduce damage, avoid returns, and cut down on materials use. Our Reusable Padded Pak is designed to reduce single-use packaging in e-commerce shipping and returns. Learn more about our sustainable packaging solutions on our Sustainable Packaging webpage.

To strengthen responsible sourcing practices, we seek relevant third-party certifications for our packaging materials and review them biannually. Our Sourcing team also conducts annual reviews of key suppliers' environmental practices and sustainability programs, identifying opportunities for improvement.

Making emissions visible with FedEx® Sustainability Insights

As expectations around Scope 3 reporting grow, customers need reliable insights into the emissions associated with their logistics activities. FedEx® Sustainability Insights (FSI) provides access to estimated CO_2e emissions data for eligible shipments — at both the package and account levels — helping customers understand their carbon footprint and meet disclosure requirements.

The platform is developed in alignment with the Greenhouse Gas Protocol and the Global Logistics Emissions Council (GLEC) Framework and includes forecasting and predictive modeling capabilities for U.S.-based users. FSI is available in over 100 markets, with translations in 34 languages. Since July 2023, over 100,000 emissions reports have been generated through the tool.

Data-driven fulfillment and delivery optimization

Beyond packaging and reporting tools, we are investing in technologies that help customers optimize their supply chains from end to end. Our fdx e-commerce platform gives businesses real-time visibility into shipping data, enabling them to reduce waste, improve customer experience, and identify emissions reduction opportunities. Carbon impact data is embedded directly into the platform to help inform operational decisions.

FedEx Dataworks also supports smarter last-mile logistics, offering delivery planning tools that let customers request to reroute packages, hold them at secure locations, or consolidate deliveries, which can help reduce failed delivery attempts and unnecessary emissions. These capabilities are increasingly important as we scale our network to meet growing delivery volumes with greater efficiency.

The FedEx Packaging Lab: Testing innovation for reuse

In FY25, the FedEx Packaging Lab advanced its collaboration with Returnity to develop a reusable packaging system for B2B shippers, culminating in a commercial launch in early 2026. The solution is designed to address common barriers to adoption by eliminating handling fees typically associated with alternative packaging formats, enabling a more seamless transition from single-use to reusable packaging.

Each box is engineered for up to 50 shipment cycles and can carry loads up to 50 pounds. It is collapsible, automation-friendly, and designed for closed-loop environments such as fulfillment-to-store replenishment, internal transfers, and reverse logistics.

Pilot programs across North America demonstrated both operational and economic benefits, with participating shippers reporting faster unpacking and restocking, improved backroom organization, and reduced product damage. Under typical conditions, the solution can reduce packaging spend by up to 30% per cycle and lower carbon emissions by 64%–88% compared to single-use corrugated packaging. The solution is now available to U.S. customers, with international expansion planned.

Circular Supply Chain Coalition

Launched in 2024 by Pyxera Global with significant financial support from FedEx Cares, this initiative aims to accelerate the upcycling of rare earth materials and other commoditized waste through the development of regenerative supply chains. The coalition supports local circular enterprises, remanufacturing hubs, and high-skill job creation.

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Select sustainability initiatives across the globe

Netherlands: FedEx opened a new facility in Vianen to optimize logistics operations, improving sorting efficiency and enhancing regional connectivity for customers. The facility has been designed with sustainability in mind. It includes 14 charging stations for electric vehicles and four charging points for the general public. The site is also equipped with LED lighting and automated lighting sensors to minimize energy consumption.

Czech Republic: FedEx opened a new logistics facility in Plzeň to expand capacity and streamline operations, strengthening regional connectivity and supporting more efficient movement of goods across Central and Eastern Europe. Strategically located in the Czech Republic, the new Plzeň facility spans 2,600 square meters — nearly doubling the size of the previous site. The modern complex features photovoltaic panels and electric vehicle charging stations.

Colombia: FedEx integrated 14 Ford eTransit PUD vehicles into its fleet to support parcel pickup and delivery operations, improving efficiency in urban areas and advancing lower-emission transportation solutions.

Estonia: FedEx opened a new air and ground logistics center at Tallinn Airport. A photovoltaic system on the roof diversified the building's electricity sources, motion sensors control automatic lighting in the offices and warehouse, and electric vehicle chargers are available in the parking lot. The building is heated and air-conditioned using heat pumps, utilizing geothermal energy.

China: FedEx launched a new solar installation at the Shanghai International Express and Cargo Hub, becoming the first logistics and freight company in the Shanghai Pudong International Airport cargo area to generate on-site solar energy. More than 4,000 square meters of solar panels are expected to generate approximately 743,000 kilowatt-hours of electricity annually.

South Korea: FedEx deployed six Hyundai ST1 electric cargo vans to support parcel pickup and delivery operations in high-traffic areas of Seoul and Busan.

Thailand: FedEx added four zero-tailpipe emissions vehicles to its fleet in Thailand, as part of the company's efforts to transition to an all-electric parcel pickup and delivery fleet by 2040.

Singapore: FedEx introduced 31 electric vehicles into its fleet, including custom-built Mercedes-Benz eVito vans, to support parcel pickup and delivery operations. At the South Pacific Regional Hub, more than 50% of electricity has been supplied by on-site solar generation since January 2025, supporting both facility operations and the local EV fleet.

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Our people

Delivering for the people who power our network

FedEx is built on the strength and expertise of our team members around the world. We are committed to fostering a workplace that supports safety, opportunity, and professional growth while enabling our people to deliver exceptional service every day.

Our People-Service-Profit philosophy guides how we support our team members and build a culture where people can thrive. By investing in our team members, we strengthen the service we provide to customers and support long-term business performance. We focus on creating an environment where individuals are equipped to succeed in their roles, grow their capabilities, and contribute to the strength and resilience of our global network.

In this section

Workforce governance and oversight

Human resource management

Our culture and people

Health and safety

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Workforce governance and oversight

FedEx team members play a central role in upholding our values and ensuring a culture of service, safety, and integrity. Guided by our People-Service-Profit philosophy, we align our workforce strategy with the long-term success of our business and the well-being of our team members. To align our strategies with these values, we maintain a robust social governance structure with clear accountability at both the Board and management levels.

Our Board of Directors oversees people-related strategies through two committees. The Compensation and Human Resources Committee is responsible for key human resource management strategies and initiatives, while the Governance, Safety, and Public Policy Committee provides oversight of safety strategies, policies, programs, and practices across our global operations.

Management regularly reports to these committees to ensure alignment between enterprise priorities and Board oversight responsibilities.

Our Safety Above All philosophy guides how we think about and implement safety measures across the network. At the management level, responsibility for social initiatives — including career development, training, health and well-being, and team member engagement — rests with our enterprise Human Resources team.

Operating as one FedEx continues to harmonize social governance structures across the organization, improving collaboration among operating companies and enabling more consistent sharing of knowledge, tools, and people strategies.

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Human resource management

Attracting, developing, and retaining a skilled global team

Our global team is at the heart of our performance, reputation, and resilience. We work to attract and retain high-performing team members by aligning our human resource strategy with the evolving needs of the business and the expectations of our team members. From hiring and onboarding to upskilling and engagement, we are focused on supporting team members throughout their entire employment lifecycle.

Our recruiting practices are designed to identify high-quality candidates while maintaining compliance with labor regulations. We conduct periodic labor practice audits and use performance data to strengthen hiring outcomes. In FY25, we employed 507,203 full- and part-time team members across the enterprise.

Our hiring strategy is data-driven and aligned to enterprise priorities, enabling us to evaluate recruitment effectiveness, cost per hire, and process improvements across operating companies.

To improve both speed and candidate experience, we continue to modernize the hiring process. Our strategy uses automation, mobile tools, and digital outreach to meet candidates where they are, internally through our careers platform and externally through targeted social and digital channels. Our enterprise-wide applicant tracking system, Paradox, further streamlines applications and strengthens our ability to analyze key hiring performance indicators and inform talent management decisions.

Equipping team members for evolving roles

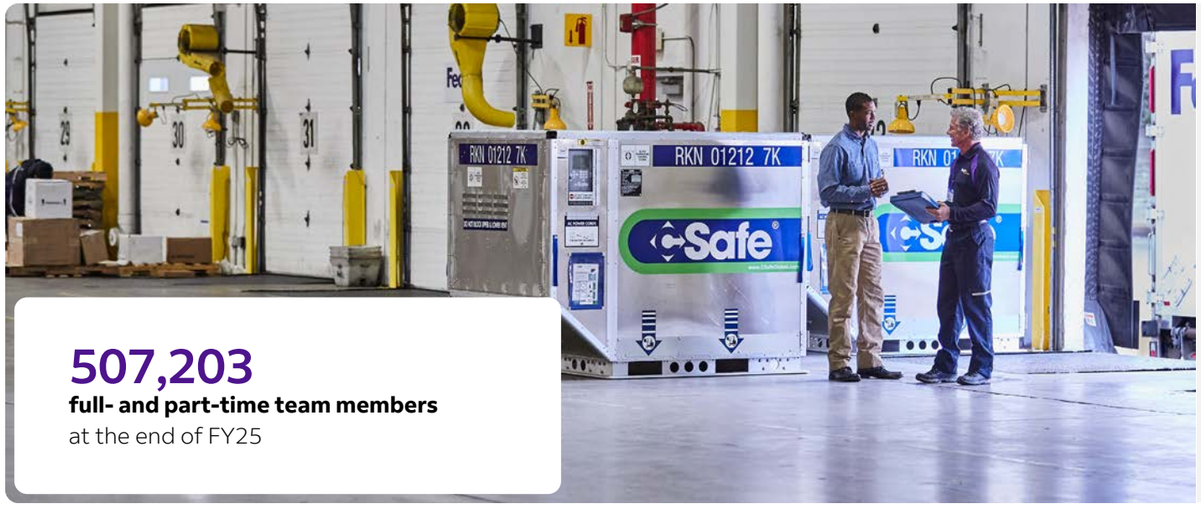
As part of our one FedEx transition, we have strengthened internal talent pipelines through targeted development programs. These include job-specific training and reskilling efforts such as the Driver Development program, which prepares team members to operate tractor-trailers, and training to support new operational roles tied to evolving technologies, including EVs, cargo bikes, and e-motorcycles.

We are also equipping our team members with capabilities to navigate emerging technologies. In FY25, we launched an AI Education and Literacy program with personalized, role-based training for team members globally. The program is designed to build common AI fluency and support the responsible and effective use of AI across the enterprise.

Listening at scale to strengthen the team member experience

Team member feedback plays a central role in refining our human resources strategy. Annual surveys, employee networks, and direct feedback channels help to identify pain points and inform improvements. Our enterprise-wide global listening platform harmonizes survey timing and structure across operating companies and supports both annual engagement surveys and pulse checks, enabling consistent, data-driven decision-making at scale.

We remain committed to fair compensation, safe working conditions, and respect for labor rights. A small number of employees are represented by unions, including pilots employed under a collective bargaining agreement with the Air Line Pilots Association, International. We engage regularly with union representatives to support open dialogue and constructive labor relations.



507,203
full- and part-time team members
at the end of FY25

Supporting a just transition

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. As FedEx continues advancing operational changes aligned with its climate goals, we remain focused on preparing team members for evolving business needs.

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. Our approach includes training and reskilling programs that support emerging operational technologies — such as EV operation and maintenance — and ongoing dialogue with stakeholders impacted by these changes. Through FedEx Cares and local engagement, we collaborate with community organizations and other partners to support workforce readiness and economic resilience in the communities where we operate.

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Investing in benefits that support the whole person

FedEx supports the health, safety, and well-being of our employees through a comprehensive suite of benefits designed to meet the diverse needs of our employees across the globe. These offerings help us attract and retain talent while reinforcing our People-Service-Profit philosophy.

Our Global Total Rewards team oversees the design and harmonization of benefits across the enterprise, including compensation, health care coverage, paid leave, and well-being programs for eligible full- and part-time employees. We conduct regular benchmarking and internal pay equity analyses to help ensure our offerings remain competitive, compliant with applicable regulations, and responsive to employee feedback.

In the U.S., FedEx covers approximately 70% of total eligible health costs for more than 355,000 enrolled part-time and full-time employees and dependents (based on 2026 enrollment data). U.S. health care benefits include flexible options across medical, dental, vision, pharmacy, and behavioral care, and focus on three main priorities: Access, Affordability, and Advocacy. Medical coverage starts at as low as $0 monthly contributions (premiums) for employee-only coverage.

In FY26, we continued to evaluate, enhance, and streamline our benefits portfolio across the globe to provide more access to care and strengthen work-life balance support.

At a glance

Total Rewards benefits

In FY26, we continued to support programs that address physical health, mental well-being, and family and financial stability. Benefits programs and eligibility may vary by region based on cultural, regulatory, and governmental structures.

Health and access to care
Medical, dental, vision, pharmacy, and behavioral health coverage, along with wellness programs and resources (availability varies by region)

Mental and emotional well-being
Confidential Employee Assistance Program (EAP) and work-life services available to employees and their households globally

Family and financial support
Competitive pay and incentive programs, paid leave, insurance and disability coverage, education support, and employee discount and voluntary benefits (availability varies by region)

Creating pathways for growth and career mobility

We are committed to equipping team members with the tools, training, and support to grow their careers at FedEx. Through structured onboarding, role-specific learning, leadership development, and academic support, we foster a culture of continuous learning while strengthening internal talent pipelines.

We foster a culture where team members are treated with dignity, courtesy, and respect, and where ongoing learning supports long-term career growth. Our enterprise learning platform provides accessible content across career levels. Leadership toolkits and peer forums support managers in building trust, strengthening teams, and modeling equality, opportunity, and diversity.

All new hires complete onboarding training tailored to individual roles, including safety, security, compliance, and sustainability. Function-specific programs develop power skills, technical expertise, and regulatory competencies across frontline, operations, and professional roles. Compliance training remains central to strengthening enterprise-wide risk awareness.

Executive development includes onboarding and transition support, content to hone leadership capabilities, and executive coaching. Our global succession management process proactively identifies and develops high-potential talent through objective assessments, tailored development, and transparent governance, providing enterprise-wide visibility into our leadership pipeline and ensuring leadership continuity and resilience across our worldwide operations. The Providing Opportunity with Empowered Readiness (POWER) Leadership Program, established in 2024 for field senior managers, was expanded to include frontline managers in FY25.

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Enterprise-wide performance management processes provide structured, year-round feedback and goal-setting, linking individual performance to rewards and recognition. The Purple Learning Hub is the enterprise ecosystem that houses our learning management system and learning experience platforms. It provides FedEx team members with consistent access to enterprise-wide training, visibility into development progress, and links to the Grow Your Career webpage (currently available to U.S.-based team members, with plans to expand globally) for development resources supporting exploration of career paths and growth opportunities.

Investing in talent to strengthen our global impact

We have invested in 22 of our high-potential officers through the EXCEL 2025 immersive VP development program. Participants broadened their enterprise perspective by traveling to regional locations, meeting directly with customers to better understand their needs, and observing how our service impacts communities around the world.

Participants also benchmarked with external organizations to broaden their enterprise perspective and explore innovative practices. As part of our FedEx Cares efforts, the cohort supported the Association for Persons with Special Needs by visiting and participating in a training activity at a local restaurant facility, where individuals with special needs build real-world skills for employment in the hospitality industry.

Leveraging their collective insights, participants developed a strategic recommendation to enhance round-trip operations supporting our Purple Chips, focusing on opportunities to strengthen sustainability, reduce redundancies, and elevate the people-centered components of our processes.

This investment nurtured their growth as leaders and reinforced our commitment to serving global communities responsibly and with purpose.

At a glance

Training and development

In FY25, we continued to invest in learning and advancement across the enterprise:

17.15
hours of training completed per employee on average in FY25

Over 99%
of employees received training in FY25

$34.4M
provided in tuition assistance, supporting over 12,700 team members in FY25

Looking ahead

As we continue to evolve our support for team members across the employee lifecycle, several enterprise-wide enhancements are on the horizon.

Building on existing offerings, we are expanding access to the EAP globally to ensure mental health and well-being support reaches more of our team members. Informed by employee feedback, we will continue refining our onboarding, learning, and performance management programs to better align with the needs of our people and the demands of a dynamic business environment.

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Our culture and people

Living our values across the enterprise

At FedEx, we believe our culture is a strategic asset. For more than 50 years, our People-Service-Profit philosophy has driven our unrivaled success, innovation, and resilience as a global industrial network. Our philosophy holds that when we take care of our people, they deliver outstanding service, which drives strong business results and generates the resources needed to reinvest in our team members and our operations.

As part of our longstanding commitment to opportunity and access, we organize our efforts across four interconnected pillars: Our People; Our Education and Engagement; Our Communities, Customers, and Suppliers; and Our Story.

Underpinning each of these pillars is our commitment to Equality, Opportunity, and Diversity (EO&D). Since our founding in 1971, we have believed that when everyone has the opportunity to grow and advance, our team members thrive and FedEx prospers.

With over 500,000 team members operating in more than 220 countries and territories, our employees reflect the diversity of the global communities we serve. We believe that varied backgrounds, experiences, and perspectives are a source of strength that enhance innovation, decision-making, and service delivery across our network.

Regional councils across our international operations provide forums for local insight, dialogue, and alignment on equality, opportunity, diversity, and culture. These forums help inform day-to-day business practices while reinforcing enterprise-wide values.

In FY25, regional teams targeted initiatives across key markets. In APAC and MEISA, FedEx participated in the Stanford Neurodiversity Project to support the development of neurodiverse talent through internship opportunities. In LAC, EO&D teams strengthened governance, advanced ERG transformation, and aligned with global frameworks, with a focus on disability and accessibility. These efforts resulted in sustainability awards and LGBTQ+ workplace certifications in Argentina, Chile, and Mexico.

FedEx Equality, Opportunity, and Diversity pillars

Our people
Recruit, retain, develop, and provide advancement opportunities for team members.

Our education and engagement
Enrich, expand, and strengthen our culture through education and meaningful engagement.

Our communities, customers, and suppliers
Serve and support our communities, customers, and suppliers while expanding access to opportunity.

Our story
Amplify the stories of our people and celebrate the diverse experiences that shape FedEx.

FedEx culture values

Across our global network, team members are united by the Purple Promise: our shared commitment to make every FedEx experience outstanding. Our culture values bring that promise to life, guiding how we lead, collaborate, and serve.

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.

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Strengthening connection and engagement

Employee Resource Groups (ERGs), open to all team members, provide educational, professional, and community-building opportunities aligned with both personal growth and business priorities. These employee-led groups create spaces for connection, networking, and development while supporting engagement and knowledge sharing across the organization.

Aligned with our focus on equality, opportunity, and engagement, ERGs contribute to building a sense of community and belonging. Team members can connect through Teleskope, our global ERG platform, to explore groups, access resources, and participate in programming that supports both individual development and broader organizational priorities.

We also integrate culture and engagement questions into our annual surveys to better understand employee perspectives and inform continuous improvement.

Learn more For additional information on workforce composition and hiring practices, see the Human Resource Management section and our disclosures in the Data Appendix and EEO-1 Reports.

Culture in action

As part of our multiyear Network 2.0 transformation, Canadian operations leaders participated in dedicated workshops to help them navigate evolving roles, support their teams, and champion a unified FedEx culture. Leaders reported feeling more confident in applying FedEx values to deliver on business priorities, demonstrating how cultural alignment can drive operational readiness during periods of change.

As we modernize systems and evolve how we operate, embedding our values across the enterprise remains essential. Our culture values express who we are and what is most important to us, reinforcing the behaviors that inspire confidence and commitment from team members, customers, communities, and stockholders.

Blue Ocean Brain: Building skills through accessible, everyday learning

Blue Ocean Brain (BOB) is a digital learning platform that supports continuous development across the FedEx workforce. Designed for short, focused engagement, it delivers microlearning content that team members can access in minutes, helping reinforce skills and support ongoing growth.

Content spans topics such as leadership, communication, productivity, ethics, and innovation, enabling flexible, relevant learning that fits into daily work.

As of February 2026, more than 75,000 learners had registered on the platform, with over 1,100 lessons available. By making learning more accessible and continuous, BOB supports skills development at scale and helps team members build capabilities for evolving roles.

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Expanding opportunity and access

The impact of our culture extends beyond the workplace to the communities where we live, work, and serve. Through non-profit partnerships, education initiatives, and employee engagement — including programs highlighted on our FedEx Cares website — we work to expand access to opportunity and promote economic mobility.

Our collaborations focus on empowering diverse voices and providing access to leadership, education, and employment opportunities that inspire people to succeed. By reinforcing our People-Service-Profit philosophy, we aim to create long-term value for communities, customers, and FedEx alike.

Team members contribute through volunteering and skills-based engagement, supported by global partnerships that advance dignity, access, and opportunity.

As one FedEx, we also support a global supplier base that includes small businesses. See the Supply Chain Responsibility section for additional information on supplier engagement.

Highlighted partnerships

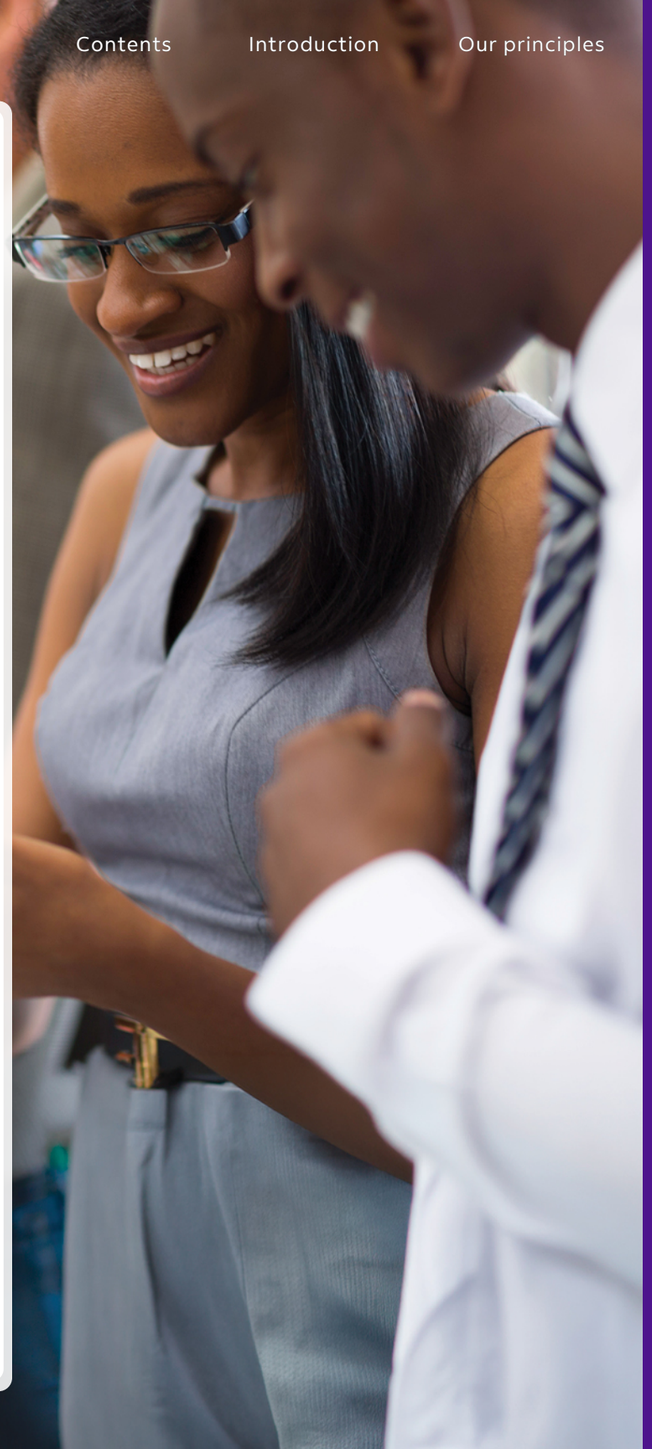
College Pathways and Historically Black Colleges and Universities programs:
These programs provide college students with access to career resources, leadership tools, and direct engagement with FedEx leaders.

Dress for Success® Worldwide (DFS):
FedEx supports mentorship and leadership development through engagement with the DFS online community, which delivers monthly career-building programming including resume building, job searching, and interview prep.

Expanding career possibilities:
In collaboration with local and national non-profit organizations including CodeCrew, National Urban League's Project Ready program, and National Black MBA Association's Leaders of Tomorrow™, FedEx connects high school students with learning experiences that showcase career possibilities and support recruitment strategies in local communities.

Hiring Our Heroes (HOH):
We support veterans, transitioning service members, and military spouses through hands-on work experience, career summits, and professional development programs designed to ease the path to civilian employment.

International Youth Foundation (IYF):
FedEx collaborates with IYF to prepare youth in Mexico, El Salvador, and Colombia for careers in logistics through industry-aligned technical and life skills training tied to real workforce demand.



Celebrating the people behind the Purple Promise

Across our global network, FedEx team members bring diverse perspectives and experiences that strengthen how we serve customers and communities.

We reinforce connection and shared purpose through internal communications, feature stories, and leadership messaging that highlight individuals and teams delivering on the People-Service-Profit philosophy and the Purple Promise.

These stories showcase operational excellence, innovation, safety, and service — helping team members see how their roles contribute to enterprise strategy and reinforcing a unified culture as one FedEx.

Learn more about our workforce disclosures and Board oversight:

EEO-1 Reports

Compensation and Human Resources Committee Charter

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Health and safety

Embedding safety into every decision

At FedEx, protecting the health and safety of our team members, service providers, and the communities we serve is fundamental to how we operate. Our Safety Above All philosophy is embedded across our governance, policies, and daily operations — guiding decisions from equipment design and operational processes to training and recognition programs.

The Governance, Safety, and Public Policy Committee of our Board of Directors oversees our safety strategies, policies, programs, and practices, and safety-related risk management strategies, programs, and initiatives. At the enterprise level, safety is integrated into policies, technology investments, risk evaluation processes, and training programs designed to prevent incidents and strengthen a culture of accountability.

We are committed to compliance with all applicable workplace health and safety regulations and collaborate with regulatory agencies to ensure ongoing adherence and continuous improvement.

Safety management systems that scale with our network

We use a tiered approach to manage health and safety across our operations. Enterprise-level Safety Management Systems (SMSs) help guide consistent execution, while site-specific adaptations address unique regulatory and operational hazards. These systems play a critical role in identifying risks, tracking incidents, and shaping proactive safety strategies.

Each quarter, our executive team reviews SMS data to evaluate enterprise-wide performance, while centralized data tools allow operations teams to track incidents in real time and implement corrective actions. Internal safety committees also conduct routine site inspections and safety reviews to reinforce standards and surface local insights.

As part of our transition to One FedEx, we are aligning safety policies and risk assessments across operating companies to support a more unified, enterprise-wide safety strategy.

Technology and innovation for safer operations

We are continually investing in technologies that help identify risks, prevent incidents, and protect team members and assets across our global network. These innovations enhance visibility, support real-time decision-making, and strengthen our safety culture.

In FY25, we expanded pilots exploring in-vehicle AI systems designed to detect and validate safe driving behaviors. These innovations complement existing safety strategies and support risk reduction at scale.

Safety and Design Engineering teams also integrate risk mitigation directly into equipment design and operating procedures to help prevent incidents before they occur.

On-the-ground safety leadership

To ensure our safety strategies are implemented consistently across diverse operating environments, we rely on specialized field-based roles that provide hands-on support and guidance:

Corporate Safety Team
Oversight and program development and support

District Safety Representatives
Assist district with compliance and oversight

Operations Safety Specialists
Develop site-specific strategies

Field Safety Advisors and Specialists
Support compliance and best practices

Driver Advisors
Coach safe behaviors in the field

These roles help translate enterprise strategy into frontline execution.

Controlled self-monitoring processes validate execution of safety programs and help refine training, communications, and operational controls.

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Reinforcing safety culture through training and engagement

From onboarding to daily operations, we embed safety training and engagement into every part of the employee experience. Our goal is to build a culture where safety is second nature, and is supported by clear expectations, practical tools, and open feedback channels.

All new hires complete role-specific safety training as part of onboarding. We supplement this with in-person and virtual sessions focused on job-specific hazards, ergonomic risk mitigation, and safe equipment use. In legacy Express operations, team members also complete annual training on safe work methods. Frontline managers reinforce safe behaviors through daily safety messaging aligned with safety calendars and through the Safe Work Methods program, where managers observe and coach employees on safe work practices.

We also invest in specialized programs to develop safety leadership. The Leading with Safety program equips managers to recognize hazards, support safe work practices, and use stop-work authority when needed. In parallel, our Ergonomic Risk Mitigation program helps reduce injury and discomfort while improving workplace efficiency and morale.

Feedback is a critical part of our safety culture. Team members can share input through direct manager dialogue, ongoing feedback loops, and structured tools like the biannual Aviation Safety Culture Survey. We use this data to identify risk areas, inform training updates, and celebrate excellence through recognition programs like Stay Sharp.

FedEx also provides Qualification Certification for service provider drivers to validate their readiness to operate specific equipment and ensure alignment with our safety standards.

Advancing driver safety

Driver safety remains a top priority across our network. For FedEx employee drivers, we combine training, real-time data, and coaching to reinforce safe driving behaviors and improve outcomes through targeted initiatives. Our Safer Highways strategy and the FOCUS Safe Driving Program train drivers to prevent accidents. And our Vehicle Event Data Recorder (VEDR) program and Machine Vision Artificial Intelligence (MV/AI) help reduce distracted driving and improve coaching. Since implementing VEDR in 2021, we have reduced distracted driving events by 74%.

Third-party service providers are likewise committed to maintaining safe operations, as demonstrated by their contractual agreement to utilize leading edge safety technologies consistent with those used by FedEx employee drivers and to implement recurring defensive driving training for their employees and certification supported by recognized safety training experts.

Embedding safety through training

Our Safety Above All philosophy integrates training and engagement across the employee experience:

100% of new hires
complete mandatory safety onboarding, with additional training on safe work methods offered

Leading with Safety
equips managers to lead safe teams

Safer Highways and FOCUS programs
train drivers to prevent accidents

VEDR program and MV/AI help reduce distracted driving and improve coaching

Ergonomic risk mitigation
reduces injuries and improves efficiency

Stay Sharp recognition
celebrates employees who model safe behaviors

Dangerous Goods and Hazmat Awareness training
for all team members who handle packages

Hazard communication
training to ensure team members understand and safely manage hazardous chemicals in the workplace

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Tracking progress and improving safety outcomes

At FedEx, we measure success not just by what we deliver, but by how safely we deliver it. Safety performance is continuously tracked and reviewed across the organization to ensure we are protecting our people, service providers, and communities.

As part of the one FedEx transition, we are streamlining data collection processes to improve how we manage safety metrics, policies, and programs. These efforts support more consistent tracking and enable more timely, targeted interventions.

Strengthening safety performance

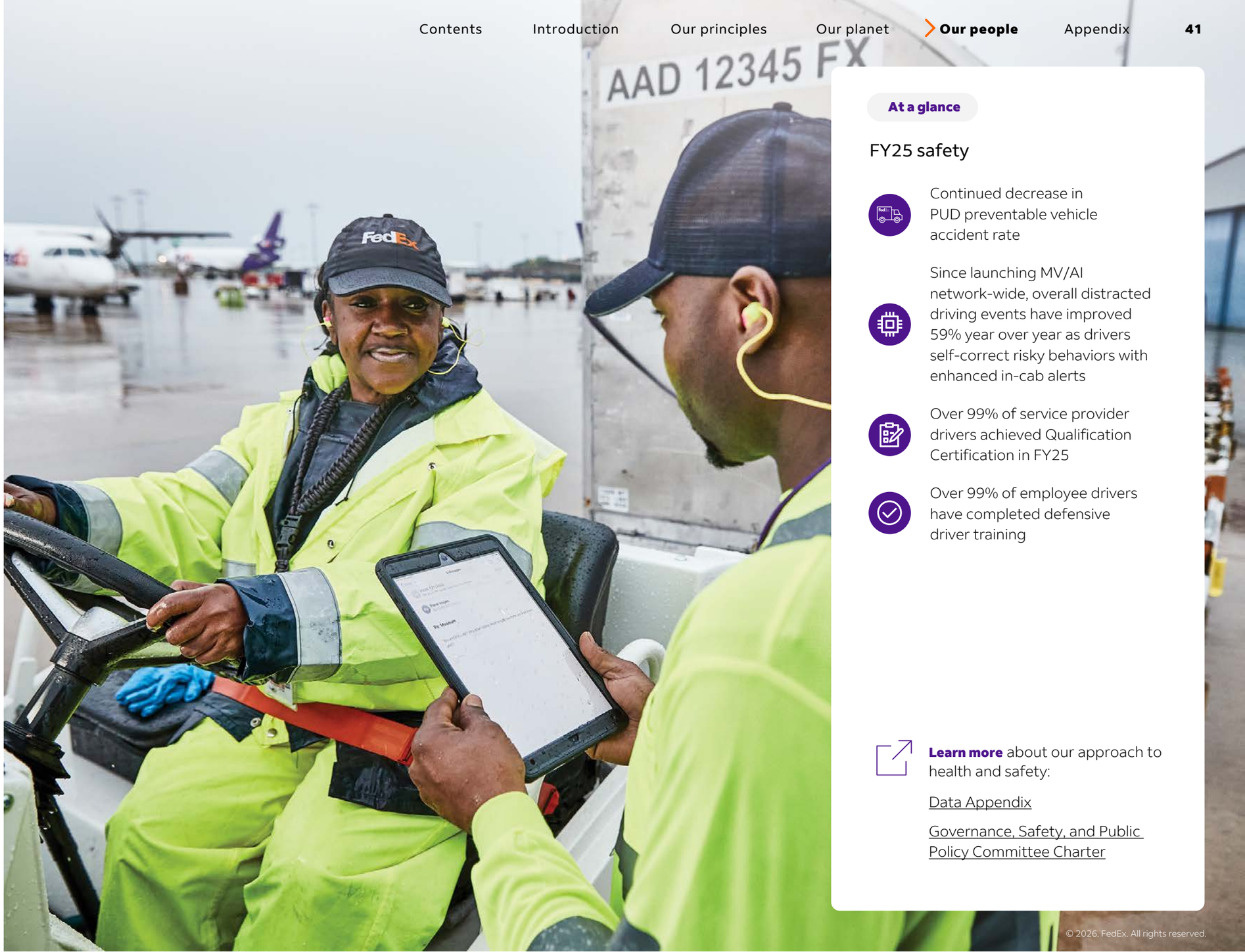
We continue to improve safety outcomes across our operations through focused training, real-time monitoring, and targeted interventions. In FY25, we continued to see year-over-year improvements across several key performance indicators, including:

Reduced PUD preventable vehicle accident rate

Improved lost time injury rate

VEDR program and MV/AI continues to support accident-reduction efforts

These results inform program refinement, training updates, and site-level risk assessments to support continuous improvement.



At a glance

FY25 safety

- Continued decrease in PUD preventable vehicle accident rate
- Since launching MV/AI network-wide, overall distracted driving events have improved 59% year over year as drivers self-correct risky behaviors with enhanced in-cab alerts
- Over 99% of service provider drivers achieved Qualification Certification in FY25
- Over 99% of employee drivers have completed defensive driver training

Learn more about our approach to health and safety:

Data Appendix

Governance, Safety, and Public Policy Committee Charter

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Appendix

Data appendix

Environment

Direct and indirect energy consumption (terajoules)	FY23	FY24	FY25
Direct energy consumption (Scope 1)			
Aircraft fuel			
Jet fuel[1]	184,725	173,540	160,209
Vehicle fuel[2]			
Diesel	36,698	33,600	32,654
Renewable biodiesel (% of total diesel)[3]	*3,114 (8.49%)*	*149 (.44%)*	*956 (2.93%)*
Gasoline	3,848	3,318	2,937
Renewable ethanol (% of total gasoline)	*18.1 (0.47%)*	*5.9 (.18%)*	*5.5 (.19%)*
Liquefied petroleum gas (LPG – propane)	971	725	702
Liquefied natural gas (LNG) and compressed natural gas (CNG)[4]	80	13	57
Facility energy use			
Natural gas	7,284	5,846	7,220
Heating oil	12	15	47
Total direct energy consumption (terajoules)[5]	**233,618**	**217,259**	**204,880**

1 We maintain compliance with regional mandates for SAF usage (as discussed on page 23 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 and FY25 figures only include 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)	FY23	FY24	FY25
Indirect energy consumption			
Facility purchased energy use			
Purchased electricity	8,842	8,983	9,888
Purchased heating	53	65	81
Purchased cooling	0.09	0.28	0.38
Total indirect energy consumption (terajoules)	**8,895**	**9,048**	**9,969**
Total direct and indirect energy consumption (terajoules)	**242,513**	**226,307**	**214,849**
Other indirect energy consumption			
Category 1: Purchased goods and services	N/A	N/A	N/A
Category 2: Capital goods	N/A	N/A	N/A
Category 3: Fuel- and energy-related activities	N/R	548	549
Category 4: Upstream transportation and distribution[6]	61,666	50,442	47,932
Category 6: Business travel	N/R	2,079	1,735
Category 7: Employee commuting	N/A	N/A	N/A
Total other indirect energy consumption (terajoules)	**61,666**	**53,069**	**50,216**
Total energy consumption (terajoules)	**304,179**	**279,376**	**265,065**

6 Includes energy associated with the activity 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 as well as road transactions from FedEx Logistics and FedEx Supply Chain.

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Direct and indirect GHG emissions (metric tons $C0_2e$)	FY23	FY24	FY25
Direct energy consumption (Scope 1)			
Aircraft fuel			
Jet fuel	12,536,072	11,921,845	11,004,759
Vehicle fuel[1]			
Diesel	2,576,897	2,364,270	2,299,044
Gasoline	264,545	206,342	182,640
Liquefied petroleum gas (LPG – propane)	56,120	43,368	41,957
Liquefied natural gas (LNG) and compressed natural gas (CNG)	3,276	672	2,903
Facility energy use[2]			
Natural gas	366,765	294,356	363,530
Heating oil	962	1,064	3,322
Total direct emissions (Scope 1) (metric tons CO_2e)[3]	**15,804,636**	**14,842,148**	**13,932,537**
Indirect energy consumption (Scope 2)			
Facility purchased energy use			
Purchased electricity	918,512	896,486	950,718
Purchased heating	460	1,980	2,002
Purchased cooling	9	18	24
Total indirect energy emissions (Scope 2) (metric tons CO_2e)[2]	**918,981**	**898,484**	**952,744**
Market-based Scope 2 emissions[2, 4]	*918,981*	*966,871*	*1,030,729*
Total direct and indirect emissions (Scope 1 and 2 (location-based)) (metric tons CO_2e)	**16,723,617**	**15,740,632**	**14,885,281**

1 Includes a small amount of fuel used for emergency generators at some facilities.
2 In FY25, we implemented refinements to our facility energy estimation methods. These refinements contributed to a year-over-year increase in the reported Scope 1 facility-related emissions and Scope 2 emissions.
3 Total Scope 1 emissions include 34,382 metric tons of CO2e in FY25 and 10,231 metric tons of CO2e in FY24 of additional activity related to fugitive emissions and other vehicle fuels.
4 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 FY23. Beginning in FY24, we are reporting actual market-based Scope 2 emissions.

Direct and indirect GHG emissions (metric tons $C0_2e$)	FY23	FY24	FY25
Other indirect energy consumption (Scope 3)			
Category 1: Purchased goods and services	N/R	N/R	2,581,809
Category 2: Capital goods	N/R	N/R	1,274,556
Category 3: Fuel- and energy-related activities	N/R	3,301,621	3,141,136
Category 4: Upstream transportation and disribution[5]	4,728,108	6,361,186	6,782,566
Category 6: Business travel[6]	79,690	176,273	195,091
Category 7: Employee commuting	N/R	N/R	903,670
Total other indirect emissions (Scope 3) (metric tons CO_2e)	**4,807,798**	**9,839,080**	**14,878,828**
Total greenhouse gas emissions (Scope 1, 2 (location-based), and 3) (metric tons CO_2e)[7]	**21,531,415**	**25,579,712**	**29,764,109**
Total biogenic emissions of CO_2e (location-based (not included in Scope 1, 2, and 3 emissions))[8]	N/R	266,662	347,728

5 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 as well as road transactions from FedEx Logistics and FedEx Supply Chain. For FY24, FedEx Logistics surface transport emissions are excluded in reported emissions as activity data was unavailable for estimations.
6 In FY25, additional datasets were added to business travel, including employee travel using personal cars, crew ground transportation, rail travel, and an expanded scope of hotel stays captured. This methodological refinement improved the completeness of our Scope 3 inventory and contributed to a year-over-year increase in reported emissions.
7 Review level of assurance under attestation standards of the American Institute of Certified Public Accountants over FY25 Scope 1, Scope 2, and Scope 3 Categories 1, 2, 3, 4, 6, and 7 GHG emissions was obtained from Ernst & Young LLP (as indicated in the 2025 Selected GHG Independent Accountants' Review Report).
8 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 FY25, Scope 1 biogenic emissions of CO_2e (outside of scopes) was 80,019 metric tons CO_2e, Scope 2 (location-based) was 32,466 metric tons CO_2e, Scope 2 (market-based) was 24,875 metric tons CO_2e, and Scope 3, Categories 4 and 6 was 235,243 metric tons CO_2e.

Energy and emissions intensity	FY23	FY24	FY25
Consolidated revenue ($M)	$90,155	$87,693	$87,926
Total energy intensity (terajoules/$M)	**3.37**	**3.19**	**3.01**
Total emissions intensity (Scope 1 and 2 (location-based)) (metric tons CO_2e/ $M revenue)	**185.50**	**179.50**	**169.29**
Total emissions intensity (Scope 1, 2 and 3) (metric tons CO_2e/$M revenue)	**238.83**	**291.70**	**338.51**

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Direct and indirect GHG emissions: GHG equivalency breakdown (metric tons CO_2e)[1]	FY23	FY24	FY25
Total direct energy emissions (Scope 1)			
Carbon dioxide (CO_2)	15,655,314	14,781,403	13,856,614
Methane (CH_4)	3,969	18,040	15,430
Nitrous oxide (N_2O)	145,353	32,662	30,267
Hydrofluorocarbons (HFCs)[2]	N/R	10,035	28,974
Total indirect energy emissions (Scope 2)			
Carbon dioxide (CO_2)	914,819	893,820	934,311
Methane (CH_4)	2,157	2,063	1,841
Nitrous oxide (N_2O)	2,005	2,601	2,839
Total direct and indirect energy emissions (Scope 1 and 2)			
Carbon dioxide (CO_2)	16,570,133	15,675,223	14,790,924
Methane (CH_4)	6,125	20,103	17,271
Nitrous oxide (N_2O)	147,358	35,263	33,106
Hydrofluorocarbons (HFCs)[1]	N/R	10,035	28,974
Total CO_2e (Scope 1 and 2 (location-based))	**16,723,617**	**15,740,632**	**14,885,281**

1 Emission factor breakdowns by constituent gases are unavailable for select Scope 1 and Scope 2 activities.
2 In FY25, the scope of facilities subject to fugitive emission assumptions was expanded. This methodological refinement contributed to a year-over-year increase in the reported HFC emissions for these locations.

Alternative fuel vehicles[3]	FY23	FY24	FY25
Hybrid	217	171	136
Electric	7,136	8,018	9,446
Liquefied natural gas (LNG) and compressed natural gas (CNG)	212	189	158
Liquefied petroleum gas (propane)	2,319	2,203	2,255
Total alternative vehicles	**9,884**	**10,581**	**11,995**

3 Includes on- and off-road vehicles.

Other significant air pollutants (metric tons)[4]	FY23	FY24	FY25
Nitrogen oxides (NO_X)	78,989	86,513	71,432
Sulfur oxides (SO_X)	11,831	11,791	10,773
Particulate matter (PM_{10})	759	1,035	640

4 NO_X and PM10 data does not include vehicle fleet outside the U.S. and Canada.

Fuel- and energy-saving initiatives	FY23	FY24	FY25
Energy saved (terajoules)			
Federal Express aircraft fleet modernization	19,403	18,639	16,764
FedEx fuel sense (jet fuel)	1,601	1,581	983
Federal Express vehicle fuel efficiency initiatives	4,548	4,369	3,849
Intermodal rail usage[5]	6,601	6,876	7,791
Facility energy efficiency initiatives[6, 7]	834	867	883
On- and off-site solar electricity generation	107	112	186
Total energy saved/emissions avoided	**33,094**	**32,443**	**30,456**
CO_2e emissions avoided (metric tons)			
Federal Express aircraft fleet modernization	1,319,067	1,279,843	1,151,115
FedEx fuel sense (jet fuel)	108,855	108,558	67,482
Federal Express vehicle fuel efficiency initiatives	320,808	307,267	270,720
Intermodal rail usage[5]	441,150	614,572	533,892
Facility energy efficiency initiatives[6, 7]	164,149	168,545	168,933
On- and off-site solar electricity generation	9,783	10,228	15,294
Total energy saved/emissions avoided	**2,363,812**	**2,489,012**	**2,207,436**

5 Savings include fuel and emission savings from intermodal rail usage at FedEx Freight and legacy FedEx Ground only.
6 Facility energy efficiency initiatives include building lighting retrofits and energy management systems.
7 CO_2e calculated using the EPA GHG Calculator.

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Materials consumption and recycled content	FY23	FY24	FY25
Packaging materials[1]			
Total packaging (metric tons)	**67,602**	**63,134**	**70,561**
% of packaging from recycled content	40%	41%	38%
% of packaging from third-party certified content	78%	74%	86%
Paper			
FedEx Office copy and print paper (metric tons)[2]	**9,410**	**9,750**	**9,314**
% of paper from recycled content	8%	7%	6%
% of paper from third-party certified content	99%	99%	99%
Other operational materials (solids)			
Total other operational materials (metric tons)	**16,570**	**19,792**	**29,664**
% of other operational materials from recycled content	36%	48%	41%
Total solid materials used (metric tons)	**93,583**	**92,676**	**109,538**
Other operational materials (fluids – liters)	***5,810,184***	***4,136,333***	***3,423,765***

1 In addition to cardboard, other materials used in shipping include bubble pack, plastic air pillows, chipboard, Tyvek® envelopes, and packaging tape.
2 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.

Other environmental data	FY23	FY24	FY25
Number of LEED and BREEAM certified buildings[3]	59	61	62
Number of on- and off-site solar energy facilities	34	34	37
Number of FSI reports generated	15,091	44,256	31,880

3 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.

Waste and recycling (metric tons)[4]	FY23	FY24	FY25
Total waste generated	**565,168**	**655,720**	**502,667**
Sent to recyclers	341,583	450,720	301,674
% Sent to recyclers	60%	69%	60%
Landfilled	223,538	205,000	200,993
Non-hazardous waste[5]			
Total non-hazardous waste	**562,445**	**652,579**	**500,904**
Sent to recyclers	340,732	449,474	301,219
% Sent to recyclers	61%	69%	60%
Landfilled	221,713	203,104	199,685
Hazardous waste[6]			
Total hazardous waste	**2,676**	**3,141**	**1,764**
Sent to recyclers	851	1,245	455
% Sent to recyclers	32%	40%	26%
Landfilled	1,825	1,896	1,235

4 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.
5 Non-hazardous waste data includes the solid waste (non-regulated/trash) and non-hazardous regulated waste categories that were reported separately in previous reports.
6 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	FY23	FY24	FY25
Number of significant spills[7]	99	79	126
Number of monetary violations from external agencies	3	6	7
Total amount of monetary violations	**$47,109**	**$7,690**	**$34,234**

7 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.

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Social

Headcount by global region	FY23	FY24	FY25
Total headcount	**523,074**	**494,824**	**507,203**
U.S.	*75.52%*	*74.41%*	*74.07%*
Europe	*9.31%*	*9.62%*	*9.16%*
Asia Pacific (APAC)	*5.70%*	*5.77%*	*5.49%*
Latin America and Caribbean (LAC)	*4.49%*	*4.46%*	*4.20%*
Canada	*3.88%*	*4.45%*	*5.59%*
Middle East, Indian Subcontinent, and Africa (MEISA)	*1.10%*	*1.29%*	*1.49%*
Full-time employees – U.S. workforce	219,284	192,557	192,529
Part-time employees – U.S. workforce	175,536	175,517	183,156

Employee hiring and turnover	FY23	FY24	FY25
New hire data			
Total new hires	**488,738**	**450,784**	**407,532**
New hire rate	90%	91%	80%
Male % of new hires	*60%*	*61%*	*63%*
Female % of new hires	*39%*	*39%*	*37%*
Employee turnover data			
Total turnover	**520,036**	**468,807**	**405,811**
Turnover rate	99%	95%	80%
Male % of turnover	*61%*	*61%*	*62%*
Female % of turnover	*39%*	*39%*	*37%*

Team member career development[1]	FY23	FY24	FY25
Total average training hours	**26.97**	**18.79**	**17.15**
Management	42.33	46.87	31.99
Non-management	24.44	16.70	15.97
% of employees who have received training	99%	99%	99%

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

Global headcount by gender[2]	FY23	FY24	FY25
Total employees	**523,074**	**494,824**	**507,203**
Total male employees	361,994	344,744	353,822
Male % of headcount	*69%*	*70%*	*70%*
Total female employees	159,046	147,991	151,779
Female % of headcount	*30%*	*30%*	*30%*
Management employees	23,687	21,035	20,609
Male % of management employees	*73%*	*73%*	*73%*
Female % of management employees	*27%*	*27%*	*27%*
Non-management employees	498,928	473,789	486,594
Male % of non-management employees	*69%*	*70%*	*70%*
Female % of non-management employees	*31%*	*30%*	*30%*

2 Total number includes male and female employee counts as well as where gender was not specified.

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U.S. workforce	FY23	FY24	FY25
Caucasian	42.10%	40.86%	38.31%
Black/African American	30.60%	31.31%	32.52%
Hispanic/Latin	18.80%	19.27%	19.80%
Asian	3.40%	3.50%	3.81%
American Indian/Alaskan Native	0.70%	0.61%	0.51%
Native Hawaiian or Pacific Islander	0.60%	0.66%	0.67%
Other	0.30%	—%	—%
Two or more races	2.60%	2.69%	2.85%
Race not identified	0.80%	1.09%	1.52%
Minorities in U.S. management	36.70%	38.00%	39.00%

Global workforce generations	FY23	FY24	FY25
Under 30 years of age	33.90%	29.00%	31.00%
30–50 years of age	38.40%	45.00%	43.00%
Over 50 years of age	27.70%	26.00%	26.00%

Global safety data[1]	FY23	FY24	FY25
Total lost time injury rate, per 200,000 hours worked[2]	**3.93**	**3.62**	**3.36**
North America (U.S./Canada)	*4.58*	*4.20*	*3.90*
Rest of the world (includes TNT Express)	*2.05*	*2.07*	*1.89*
Total number of employee fatalities (work-related)[3]	**5**	**7**	**8**

1 Does not include independent contractors working on behalf of FedEx.
2 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).
3 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	FY23	FY24	FY25
Total number of suppliers participating in requests for qualifications and proposals (RFx) events	**258**	**127**	**229**
Total number of suppliers asked sustainability questions in RFx event	258	39	208
% Sourcing-managed suppliers screened with sustainability RFx questions	100%	100%	91%
Small business supplier spending ($B)	**$18.60**	**$18.70**	**$20.20**

Charitable contributions	FY23	FY24	FY25
Total charitable contributions ($M)[4]	**$78.63**	**$55.38**	**$55.80**

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

Board of Directors information	FY23	FY24	FY25
Gender and background			
% Racially / ethnically diverse	23%	29%	31%
% Female	31%	36%	38%

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FedEx Corporation

942 South Shady Grove Road
Memphis, Tennessee 38120
Please visit fedex.com/sustainability

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 and Tricolor, 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 (including Network 2.0 and Tricolor); 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 and other hostilities 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; the possibility that the spin-off of FedEx Freight will not result in the intended benefits; the possibility of disruption, including changes to existing business relationships, disputes, litigation, or unanticipated costs, in connection with the spin-off; and other factors which can be found in FedEx Corporation's and our subsidiaries' press releases and FedEx Corporation'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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