

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Headquartered in Memphis, Tennessee, FedEx Corporation (FedEx) provides its broad portfolio of services through its operating companies. These operating companies compete collectively, operate independently and are managed collaboratively, under the FedEx brand. Our network of more than 5,000 hubs and facilities help deliver more than 15 million shipments each day. In FY19, we reported \$69.7 billion in revenues and a record net income of \$540 million.

FedEx Express invented express transportation and remains the industry's global leader, providing rapid, reliable, time-definite delivery to more than 220 countries and territories, connecting markets that comprise more than 99 percent of the world's gross domestic product. Unmatched air route authorities and transportation infrastructure, combined with leading-edge information technologies, make FedEx Express the world's largest express transportation company, providing fast and reliable delivery of more than 6 million packages each business day. The FedEx Express business segment also includes TNT Express which operates road transportation networks and delivers documents, parcels and freight to over 200 countries. FedEx Express is comprised of more than 670 aircraft fleet, more than 85,000 motorized vehicles, and more than 2,150 facilities.

FedEx Ground is a leading North American provider of ground small-package delivery services, providing service to the U.S. and Canada. FedEx Home Delivery®, the industry's first ground service dedicated to residential delivery, is available from FedEx Ground and provides Saturday delivery for no additional charge. FedEx SmartPost® is a ground service that specializes in the consolidation and delivery of high volumes of low-weight, less time-sensitive business-to-consumer packages primarily using the U.S. Postal Service® for last mile delivery to residences. FedEx Ground is comprised of more than 70,000 motorized vehicles and more than 600 facilities.

FedEx Freight is a leading U.S. provider of less-than-truckload (LTL) freight services across all lengths of haul. FedEx freight handles more than 105,000 shipments each day. FedEx Freight is comprised of more than 25,000 motorized vehicles and approximately 370 service centers.

FedEx Logistics provides a full suite of supply chain solutions, specialty transportation, cross border e-commerce technology services, customs brokerage, and trade management tools and data.

FedEx Services provides sales, marketing, information technology, communications, customer service, technical support, billing and collections services for U.S. customers of our major business units and certain back-office functions that support our other companies. The FedEx Services business segment includes FedEx Office and Print Services, Inc., which provides document and business services and retail access to our package transportation businesses. FedEx Office is comprised of approximately 2,150 locations within the United States.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	June 1 2018	May 31 2019	No	<Not Applicable>

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

Please select

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Financial control

(C-TO0.7/C-TS0.7) For which transport modes will you be providing data?

Heavy Duty Vehicles (HDV)
Aviation

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	The Nominating & Governance Committee of the FedEx Board of Directors (board level committee) assists the Board in overseeing our CSR initiatives, including those related to climate change. At least annually, the Nominating & Governance Committee reviews and discusses CSR and sustainability strategies and programs with senior leadership, including our Chief Sustainability Officer (CSO). The Nominating & Governance Committee has the opportunity to review the annual FedEx Global Citizenship Report and progress against sustainability goals. The Nominating & Governance Committee oversaw the inclusion of both the Sustainability Accounting Standards Board (SASB) and Task Force on Climate-related Financial Disclosures (TCFD) disclosure indexes into our Reporting Frameworks Index as part of our most recent annual FedEx Global Citizenship Report. Further, the FedEx Board of Directors, including the directors serving on the Nominating & Governance Committee, approved our ongoing aircraft modernization strategy enabling us to replace our oldest and least efficient aircraft with more efficient aircraft. For example, we are realizing significant improvements in fuel efficiency as we replace our MD-10 aircraft with Boeing 767 Freighters that are about 30% more fuel efficient than the MD-10s they replace. We expect to retire all of our MD-10 fleet by the end of FY22. Additionally, in the second quarter of FY20, we permanently retired 10 Airbus A310-300 aircraft and 12 related engines. The modernization of our overall aircraft fleet lowers costs and reduces emissions, including GHG emissions, through enhanced reliability, operational flexibility, reduced maintenance expenses, and improved fuel efficiency. We continue to evaluate whether additional aircraft retirements are warranted.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Reviewing and guiding strategy	<Not Applicable>	The Nominating & Governance Committee of the FedEx Board of Directors assists the Board in overseeing our CSR initiatives, including those related to climate change. At least annually, the committee reviews and discusses CSR and sustainability strategies and programs with senior leadership, including our Chief Sustainability Officer. The CSO has the opportunity to review the annual FedEx Global Citizenship Report and progress against sustainability goals with the board.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Chief Sustainability Officer (CSO)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Annually

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

The Nominating & Governance Committee of the FedEx Board of Directors assists the Board in overseeing our CSR initiatives. At least annually, the committee reviews and discusses CSR, sustainability strategies, and programs with senior leadership, including our Chief Sustainability Officer. The CSO reviews with the board our progress against sustainability goals, such as our 40.9% FedEx Express vehicle fuel efficiency improvement achieved.

The FedEx Enterprise Sustainability Council (FESC), a senior officer council, is responsible for setting and implementing our company-wide sustainability strategy and administering our CSR materiality assessment. Our Chief Sustainability Officer chairs the FESC and also oversees the company-wide implementation of our environmental management system and reviews performance annually. The CSO position and individual were approved by the FedEx Board of Directors.

Sustainability Impact Teams (SITs) have also been established under the FESC management structure to ensure that our various operating companies can discuss, plan and align with our sustainability strategy. The SITs create opportunities to advance the FedEx sustainability strategy within specific areas such as Vehicles, Facilities, Air Operations and Sourcing, as well as advising on performance measurement. The SITs' primary roles and responsibilities include:

- Identifying opportunities to advance the FedEx sustainability strategy across the enterprise in specific functional areas (e.g., vehicles, facilities, sourcing, air operations, etc.),
- Incorporating sustainability into operational/functional areas and into the annual business planning process,
- Sharing knowledge and coordinating efforts in functional areas across the FedEx operating companies (i.e., "horizontal" communication channels),
- Identifying and developing possible goals and measuring functional area environmental impacts and performance, and
- Monitoring the benefit of sustainability initiatives to FedEx.

In addition, each major FedEx operating company has its own internal environmental sustainability department that actively manages operating company-specific environmental sustainability programs and compliance with applicable environmental regulations and internal policies. Representatives from these departments share best practices and collaborate on sustainability initiatives with other operating companies and other internal departments (e.g., Vehicle Operations, Facilities, Corporate Communications, Sourcing, etc.) through the appropriate SITs.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Chief Sustainability Officer (CSO)	Monetary reward	Emissions reduction project	In prior years, pay-outs to executives under our annual incentive plan are impacted by individual performance goals, which include CSR goals such as those described below. However, as announced on June 19, 2020, there will not be an annual incentive plan for executive officers for fiscal 2021. Achievement of targets related to fuel/energy savings (and associated emissions reductions, including greenhouse gases) are factored into performance appraisal of the CSO who oversees teams of those activities. In addition, these objectives ultimately roll up to our CEO and Chairman, Frederick W. Smith, and to the most senior executive in each major operating company, and are tied to the variable compensation levels of those executives. Activities incentivized include: Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target Behavior change related indicator Environmental criteria included in purchases Supply chain engagement
Corporate executive team	Monetary reward	Emissions reduction project	In prior years, pay-outs to executives under our annual incentive plan are impacted by individual performance goals, which include CSR goals such as those described below. However, as announced on June 19, 2020, there will not be an annual incentive plan for executive officers for fiscal 2021. Achievement of targets related to fuel/energy savings (and associated emissions reductions, including greenhouse gases) are factored into performance appraisals of the responsible managers who oversee those activities. In addition, these objectives ultimately roll up to our CEO and Chairman, Frederick W. Smith, and to the most senior executive in each major operating company, and are tied to the variable compensation levels of those executives. Activities incentivized include: Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target Behavior change related indicator Environmental criteria included in purchases Supply chain engagement
Management group	Monetary reward	Emissions reduction project	Achievement of targets related to fuel/energy savings (and associated emissions reductions, including greenhouse gases) are factored into performance appraisals of the responsible managers who oversee those activities, and are therefore tied directly to the variable compensation levels of those managers. This includes the managers at our operating companies who directly manage our fuel/energy reduction initiatives such as our Fuel Sense program at FedEx Express or GREEN Site program at FedEx Freight. Activities incentivized include: Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target Behavior change related indicator Environmental criteria included in purchases Supply chain engagement
Energy manager	Monetary reward	Emissions reduction project	Achievement of targets related to fuel/energy savings (and associated emissions reductions, including greenhouse gases) are factored into performance appraisals of the responsible managers who oversee those activities, and are therefore tied directly to the variable compensation levels of those managers. This includes the managers at our operating companies who directly manage our fuel/energy reduction initiatives such as our Fuel Sense program at FedEx Express or GREEN Site program at FedEx Freight. Activities incentivized include: Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target Behavior change related indicator Environmental criteria included in purchases Supply chain engagement
Environment/Sustainability manager	Monetary reward	Emissions reduction project	Achievement of targets related to fuel/energy savings (and associated emissions reductions) are factored into performance appraisals of the responsible managers who actively manage those activities. Activities incentivized include: Emissions reduction project Emissions reduction target Energy reduction project Energy reduction target Efficiency project Efficiency target Behaviour change related indicator Environmental criteria included in purchases Supply chain engagement
All employees	Non-monetary reward	Behavior change related indicator	Through our internal sustainability programs, such as "Fuel Sense" and "Eco Drive" at FedEx Express, "Energy Watch" at FedEx Freight, "Simplify Your Center" at FedEx Office, and "EarthSmart Champion" at FedEx Ground, FedEx team members are encouraged to actively contribute to our sustainability strategy through three key focus areas: fuel emissions, energy usage and recycling/waste minimization in the FedEx workplace. Various internal recognition opportunities, including featuring team member stories in enterprise communications, such as our "From the Chairman" newsletter, blog postings and the Global Citizenship Report, are utilized to further incentivize and reward team members who are the foundation for our continued success in making our business environmentally sustainable. Some of our operating companies also have sustainability award programs for team members who demonstrate particular passion for sustainability causes.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	1	3	
Medium-term	3	5	
Long-term	5	10	We entered 10 in the "To (years)" field in order to satisfy the requirements of this question. In reality, our long-term risk horizon is typically anything longer than 5 years. In most cases that would typically be less than 10 years, but in some cases it might even be longer, depending on the type of risk being assessed.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Our ERM process defines a substantive impact for climate-related risks in the same manner for all business risks assessed through the process; namely by prioritizing those risks based on likely financial impact, the probability of occurrence within the next fiscal year, and the level of current controls in place to manage those risks. **FedEx maintains an Enterprise Risk Management program to identify and report the top enterprise risks to the Company. These top risks are determined through our annual risk assessment process using industry research, surveys and workshops. The surveys and workshops facilitate discussions focused on identified risks as well as emerging risks that need to be considered. The surveys and workshops are also used to rate the likelihood and impact on a scale of 1 – 5. The results of the surveys and workshops provide an initial ranking of the top enterprise risks. Then, the Risk Committee meets to review the results of the risk assessment process and to finalize the top enterprise risks and trends. Risks that require Board level awareness are shared with the Board and Audit Committee on at least an annual basis, and significant changes to the risk environment are shared quarterly. Climate change related risks and opportunities at FedEx are assessed as part of our annual risk assessment process, and we continue to closely monitor social views, geopolitical concerns, and regulations across the globe.**

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

Our enterprise risk management (ERM) process is embedded in our strategic financial planning process, and provides a platform to facilitate integration of short, medium, and long-term risk information in business decision-making. This risk assessment includes review by senior level management with oversight from our Board of Directors. Depending on the type of business risks identified through this process, specific contingency plans and strategies are formulated either at the enterprise- or operating company-level to minimize potential adverse impacts to FedEx business operations. The ERM process, which follows the Committee of Sponsoring Organizations of the Treadway Commission (COSO) framework, has the flexibility to assess risks at both the company- and asset-level. "Company-level" business risks routinely identified through the ERM process that may be affected by climate change include regulations that could impact our ability to operate in certain markets, and brand reputational risks as public awareness grows around the environmental impacts of transportation logistics services. Our strategies for addressing those risks include proactive public policy and external stakeholder engagement, and implementing our "Reduce, Replace, Revolutionize" strategy to minimize the environmental impacts of our operations. An example of how we are addressing transitional risks such as regulations that could impact our ability to operate in certain markets or the cost to operate is our aircraft modernization efforts which support of our "Reduce, Replace, Revolutionize" strategy. By replacing or retiring less efficient aircraft, we are able to reduce our emissions and thus minimize transitional risk should there be regulatory change related to carbon emissions. "Asset-level" risks identified and assessed through the ERM process include potential service disruptions arising from physical risks such as severe weather events (or other natural disasters). While we operate several integrated networks with assets distributed throughout the world, there are concentrations of key assets within our networks that are exposed to adverse weather conditions or localized risks from natural disasters such as hurricanes or floods. The loss of a key location such as our Memphis World Hub or one of our information technology centers could cause a significant disruption to our operations and cause us to incur significant costs to reestablish or relocate these functions. FedEx has over 40 years of experience in proactively addressing situations, such as severe weather events, that can occur at any given time anywhere in the world; we are adept at implementing contingency plans at a moment's notice and we have the flexibility within our system to make the necessary adjustments to minimize the impact to our customers. FedEx maintains an Enterprise Risk Management program to identify and report the top enterprise risks to the Company. The ERM process uses a consultative approach that solicits input from the senior leadership teams at each major operating company to identify and prioritize the main business risks across the enterprise. These risks are classified into five categories (External, Strategic, Operational, Financial and Compliance), and are prioritized based on likely financial impact (across predefined monetary ranges), the probability of occurrence within the next fiscal year, and the level of current controls in place to manage those risks. These top risks are determined through our annual risk assessment process using industry research, surveys and workshops. The surveys and workshops facilitate discussions focused on identified risks as well as emerging risks that need to be considered. The surveys and workshops are also used to rate the likelihood and impact on a scale of 1 – 5. The results of the surveys and workshops provide an initial ranking of the top enterprise risks. Then, the Risk Committee meets to review the results of the risk assessment process and to finalize the top enterprise risks and trends. Risks that require Board level awareness are shared with the Board and Audit Committee on at least an annual basis, and significant changes to the risk environment are shared quarterly. Climate change related risks and opportunities, such as the potential for severe weather disruption or regulatory and reputational risks, are assessed as part of our annual risk assessment process, and we continue to closely monitor social views, geopolitical concerns, and regulations across the globe.

Value chain stage(s) covered

Upstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

Annually

Time horizon(s) covered

Short-term

Description of process

Our ERM process also evaluates upstream value chains such as risks for independent service providers for pickup and delivery and line haul transportation at FedEx Ground, FedEx Express, FedEx Freight and FedEx Custom Critical. The vast majority of our reported Scope 3 GHG emissions comes from these suppliers. For instance, the regulatory risks associated with climate change identified above could impact the costs we pay for those services, as well as the ability of those service providers to operate in those markets. Another example relates to the fuel we source for our transportation fleets. We must purchase large quantities of fuel to operate our aircraft and vehicles, and the price and availability of fuel can be unpredictable and beyond our control. Any climate change-related regulatory or physical risks affecting the availability and cost of that fuel supply would have a direct effect on our ability to operate.

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	The impact of existing and potential regulations, including those related to climate change, is factored into our standard ERM process. In particular, regulations regarding GHG emissions from our 670+ aircraft and 180,000+ vehicles could impose substantial costs on our ability to ship our customers' packages and freight. Potential costs include an increase in the price of the fuel and other energy we purchase and capital costs associated with updating or replacing our aircraft or vehicles. Regulations could also limit our ability to service our customers, especially in dense urban markets where congestion is an issue. The potential impacts of such risks are analyzed as part of our overall regulatory risk assessment, and are not specifically broken out for climate-related regulations. For example, in 2009, the European Commission approved the extension of the European Union Emissions Trading Scheme ("ETS") for GHG emissions to the airline industry. Under this decision, all FedEx Express flights that are wholly within the European Union are now covered by the ETS requirements, and each year we are required to purchase emission allowances in an amount equal to the carbon dioxide emissions from such flights. Also, in 2016, the ICAO passed a resolution adopting the Carbon Offsetting and Reduction Scheme for International Aviation ("CORSIA"), which is a global, market-based emissions offset program to encourage carbon-neutral growth beyond 2020. A pilot phase is scheduled to begin in 2021 in which countries may voluntarily participate, and full mandatory participation is scheduled to begin in 2027. ICAO continues to develop details regarding implementation, but compliance with CORSIA will increase FedEx operating costs.
Emerging regulation	Relevant, always included	The impact of existing and potential regulations, including those related to climate change, is factored into our standard ERM process. For example, in July 2016, the U.S. Environmental Protection Agency ("EPA") issued a finding that aircraft engine GHG emissions cause or contribute to air pollution that may reasonably be anticipated to endanger public health or welfare. This finding is a regulatory prerequisite to the EPA's adoption of a new certification standard for aircraft emissions. In the past, the U.S. Congress has also considered bills that would regulate GHG emissions, and some form of federal climate change legislation is possible in the future, which may potentially increase our operating costs. However, the U.S. recently withdrew from the Paris climate accord, an agreement among 196 countries to reduce GHG emissions, and that withdrawal's effect on future U.S. policy regarding GHG emissions, on CORSIA and on other GHG regulation is uncertain.
Technology	Relevant, sometimes included	The impact of technological innovations/developments on our operations and on demand for our services is factored into our standard ERM process. However, those impacts are not typically directly correlated with climate change, although in some instances there may be an indirect correlation, e.g. the potential disruption to our operations from the loss of one of our information technology centers due a severe weather event related to climate change. That being said, the potential impacts that other risk categories discussed here have an indirect impact on potential technological improvements or innovations that support the transition to a lower-carbon, energy-efficient economic system. For instance, the regulatory environment we face operating large vehicle fleets in jurisdictions implementing regulations to encourage the use of low-emission alternative fuel vehicles could have a significant impact on our ability to operate in those markets.
Legal	Relevant, always included	The impact of legal and regulatory risks, including those related to climate change, is factored into our standard ERM process. These could include lawsuits by regulatory agencies or environmental activists related to the GHG emissions we generate from our more than 670 aircraft or more than 180,000 vehicles. The potential impacts of such risks are analyzed as part of our overall regulatory risk assessment, and not specifically broken out for climate-related legal actions.
Market	Relevant, always included	Market-related risks are consistently assessed and prioritized through our ERM and other risk management processes. Our businesses depend on our strong reputation and the value of the FedEx brand. The FedEx brand name and our corporate reputation are powerful sales and marketing tools, and we devote significant resources to promoting and protecting them. These risks could include shifting customer preference for less carbon-intensive shipping services, which could reduce demand for our high-margin services like overnight express shipping that depends on our more than 670 aircraft. The potential impacts of such risks are analyzed as part of our overall market-related risk assessment, and not specifically broken out for climate-related market risks.
Reputation	Relevant, always included	Our businesses depend on our strong reputation and the value of the FedEx brand. The FedEx brand name and our corporate reputation are powerful sales and marketing tools, and we devote significant resources to promoting and protecting them. Damage to our reputation and loss of brand equity could reduce demand for our services and thus have an adverse effect on our financial condition, liquidity and results of operations, as well as require additional resources to rebuild our reputation and restore the value of our brand. As stated above, increased awareness and any adverse publicity in the global marketplace about the GHGs emitted by companies in the airline and transportation industries could harm our reputation and reduce customer demand for our carbon-intensive transportation logistics services, especially our air express services that rely on our 670+ aircraft, but also our ground and freight services that rely on our 180,000+ diesel and gasoline vehicle fleet. The potential impacts of such risks are analyzed as part of our overall reputational risk assessment, and not specifically broken out for climate-related reputational risks.
Acute physical	Relevant, always included	Given the broad and global scope of our operations and our susceptibility to global macro-economic trends, we are particularly vulnerable to the physical risks of climate change that could affect all of humankind, such as shifts in weather patterns and world ecosystems. These risks could negatively impact our transportation logistics networks by restricting access to our main hub and distribution centers, as well as preventing our more than 670 aircraft and more than 180,000 vehicles from operating. The potential impacts of such risks are analyzed as part of our overall reputational risk assessment, and not specifically broken out for climate-related reputational risks. While we operate several integrated networks with assets distributed throughout the world, there are concentrations of key assets within our networks that are exposed to adverse weather conditions or localized risks from natural disasters such as tornadoes and floods. The loss of a key location such as our Memphis super hub or one of our information technology centers could cause a significant disruption to our operations and cause us to incur significant costs to re-establish or relocate these functions. Moreover, resulting economic dislocations, including supply chain and fuel disruptions, could adversely impact demand for our services.
Chronic physical	Relevant, sometimes included	Given the broad and global scope of our operations and our susceptibility to global macroeconomic trends, we are particularly vulnerable to the physical risks of climate change that could affect all of humankind, such as shifts in weather patterns and world ecosystems. These risks could negatively impact our transportation logistics networks by restricting access to our main hub and distribution centers, as well as preventing our more than 670 aircraft and more than 180,000 vehicles from operating. While our ERM process solicits input on risks for the following fiscal year's financial planning, most of the high-priority risks assessed through that process are longer-term in nature, and are used for longer-range strategic planning and mitigation purposes. This includes the climate-related risks discussed in the "Acute Physical" category above which could increase in severity in the long-term as the impacts of climate change continue to grow.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation	Carbon pricing mechanisms
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Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

FedEx operates a fleet of more than 670 aircraft and more than 180,000 owned and contracted vehicles around the world. The fuel used to power this fleet represents a significant operational cost, as well as our most material environmental impact, accounting for 6% of operating expenses and 92% of our emissions footprint in FY19. Increased US and international regulation regarding GHG emissions, especially aircraft or diesel engine emissions, could impose substantial costs on us, especially at FedEx Express. These costs include an increase in the cost of the fuel and other energy we purchase and capital costs associated with updating or replacing our aircraft or vehicles.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Regulations that result in increased fuel costs or restrictions on our ability to operate in certain markets could have significant financial implications for FedEx. While we cannot accurately predict the effect such regulation might have on our costs or operating results, it is reasonably possible that it could impose material costs on us. For instance, transportation fuel represents a significant operational cost, as well as our most material environmental impact, accounting for 6% of operating expenses and 92% of our reported emissions footprint in FY19. Given the uncertainties related to this risk driver, it is not feasible to estimate what that financial impact would be.

Cost of response to risk

0

Description of response and explanation of cost calculation

Our strategies for addressing this risk include proactive external stakeholder engagement (especially customer-facing), and implementing our “Reduce, Replace, Revolutionize” approach to sustainability. We reduce or eliminate impacts from activities and operations. We replace assets that can be improved, using the right solutions in the right applications. And, we revolutionize operations by discovering and applying new innovative technologies. For instance, our FedEx Fuel Sense and aircraft modernization programs helped us save more than 250 million gallons of jet fuel and avoid more than 2.41 million metric tons of CO2e emissions in FY19. These types of sustainability initiatives would help to minimize any adverse impacts from increased fuel or carbon pricing that may result from potential future regulations. We entered 0 in the “Cost of management” column to satisfy CDP’s disclosure requirement, as FedEx does not disclose this information for competitive reasons. The costs associated with managing this risk driver are embedded in our general public policy engagement initiatives and our overall sustainability strategy, which we do not disclose for competitive reasons.

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Increased severity and frequency of extreme weather events such as cyclones and floods
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Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Given the broad and global scope of our operations and our susceptibility to global macro-economic trends, we are particularly vulnerable to the physical risks of climate change that could affect all of humankind, such as shifts in weather patterns and world ecosystems. While we operate several integrated networks with assets distributed throughout the world, there are concentrations of key assets within our networks that are exposed to adverse weather conditions or localized risks from natural disasters such as tornados and floods. The loss of a key location such as our Indianapolis Hub or one of our information technology centers could cause a significant disruption to our operations and cause us to incur significant costs to re-establish or relocate these functions.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

While we cannot predict the effect such risk might have on our cost structure or our operating results, it is reasonably possible, however, that it could impose material costs on us. For instance, around 1.4 million packages are processed through the Memphis World Hub every day (that volume is significantly higher during peak holiday seasons), representing approximately 26% of total global FedEx Express package volumes. In FY19 our average revenue per FedEx Express package shipped in the US was \$18.54. Obviously a prolonged severe weather disruption at such an important location could have significant impact on our revenues, and on our reputation as a reliable logistics service provider.

Cost of response to risk

0

Description of response and explanation of cost calculation

FedEx has more than 40 years of experience proactively addressing situations such as severe weather events. We are adept at implementing contingency plans at a moment's notice and can make the necessary network adjustments to minimize impacts to our customers. For example, in 2017 and 2018, in preparation for Hurricanes Harvey, Irma, and Maria, we undertook pre-hurricane season preparation and hosted a preparation call to ensure our people and facilities were prepared ahead of the season. We initiated conference calls three days from the forecast impact to ensure all operational stakeholder teams were engaged and identified any pre-event needs. We operated safely as late into the event as possible to maintain our customers critical supply chains. We stood down operations for the event, assessed the impact after the event and safely resumed operations as quickly as possible following the storms to re-establish our customers critical supply chains. This helped our customers and impacted communities recover and rebuild. FedEx also employs a staff of 15 meteorologists who help manage risks associated with global weather patterns. They note weather anomalies which could impact operations, and notify leadership at impacted operating companies, who can then activate contingency operating plans. For example, the FedEx meteorology team began monitoring Superstorm Sandy 13 days prior to landfall. The operations teams were notified that the models indicated a possible impact along the north-eastern U.S and our contingency plan was activated to ensure all adequate preparations. As a result, we were able to resume operations at Newark and JFK airports on October 31 (two days after landfall). Furthermore, FedEx carried disaster relief materials into the region as we resumed operations, and FedEx had nearly restored full operations by the end of that week. We entered 0 in the "Cost of management" column to satisfy CDP's disclosure requirement, as FedEx does not disclose this information for competitive reasons. The costs associated with managing this risk driver are embedded in our general public policy engagement initiatives and our overall sustainability strategy, which we do not disclose for competitive reasons.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Reputation	Increased stakeholder concern or negative stakeholder feedback
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Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Increased awareness and any adverse publicity in the global marketplace about the GHGs emitted by companies in the airline and transportation industries could harm our company's reputation and reduce customer demand for our services, especially our air express services. FedEx Express segment contributed over 50% of our annual revenue in FY19 and many of our FedEx Express products use our air express network for long haul shipping. For example, our international priority shipping services, which is heavily dependent on our aircraft transportation fleet, contributed almost 20% of the FedEx Express total revenue.

Time horizon

Long-term

Likelihood

Unlikely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

While we can't predict the effect such risk might have on our future revenues, it's reasonably possible that it could be significant. More than ever, customers, shareowners and other stakeholders are looking to do business with companies that demonstrate strong sustainability performance and are requesting information on our citizenship programs. For example, in FY19 we provided Customer Emission Calculator (CEC) reports to over 7,600 customer teams. These reports provide an estimate of the emissions we generated on the behalf FedEx Express, FedEx Ground and FedEx Freight customers in order to transport their packages and freight. These reports inform customers of their carbon footprint resulting from our logistics services and help estimate our enterprise customers' Scope 3 carbon emissions by taking FedEx-specific

package routing, facilities, aircraft fleet, and surface vehicles and applying industry standard CO2 fuel burn factors. However we anticipate that this risk would have a relatively low impact on demand for our services, based on customer research that indicates CSR/sustainability ranks relatively low on the list of purchase decision factors.

Cost of response to risk

0

Description of response and explanation of cost calculation

Our strategies for addressing this risk include proactive external stakeholder engagement (especially customer-facing), and implementing our "Reduce, Replace, Revolutionize" strategy. We reduce or eliminate impacts from activities and operations. We replace assets that can be improved. And, we revolutionize operations by applying new innovative technologies. An example of a customer offering is our Customer Emissions Calculator, which creates a report with the customer's total shipping emissions and weight. The report offers emissions data broken out by operating company, transportation mode and scope classification, and which provides ton-miles or kg-kilometers by operating company. The methodology for our calculator is consistent with the World Resources Institute Greenhouse Gas Protocol. Emissions are calculated based on the weight, distance, service type and routing associated with the shipment. This information helps customers better address their sustainability concerns, improve reporting, and optimize their shipping habits. We also have resources for customers to reduce their environmental footprints through service selection, packaging, etc. We entered 0 in the "Cost of response to risk" column to satisfy CDP's disclosure requirement. The costs associated with managing this risk driver are embedded in our general public policy engagement initiatives and our overall sustainability strategy, which we do not disclose for competitive reasons.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of more efficient modes of transport

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

FedEx operates a fleet of more than 180,000 owned and contracted vehicles around the world, most of which are in the USA. These vehicles consume a significant amount of fuel each year, e.g. more than \$914M in FY19 alone. This fuel cost was calculated using the total amount of diesel and gasoline consumed by our vehicles in FY19 multiplied by the average cost of vehicle fuel reported in our 2019 Annual Report. It doesn't include other vehicle fuel sources such as propane, CNG or LNG, which comprise a very small percentage of our overall vehicle fuel use at this time. FedEx therefore envisioned and first called for fuel efficiency/greenhouse gas legislation and regulation which help it accomplish two endeavors: (1) improve the fuel economy of FedEx fleet vehicles while also reducing the GHGs emitted; and, (2) create an environment in which manufacturers would be encouraged to produce new, clean technology vehicles for FedEx, including hybrid-electric, all-electric, alternative fuel, fuel cells, etc. In addition, it would improve and benefit all commercial vehicle operators in the U.S. This legislation passed with FedEx support. Subsequently, the U.S. Environmental Protection Agency and the Department of Transportation's National Highway Traffic Safety Administration jointly finalized standards for medium- and heavy-duty vehicles that would improve fuel efficiency and cut carbon pollution to reduce the impacts of climate change, while bolstering energy security and spurring manufacturing innovation. The final phase two program promotes a new generation of cleaner, more fuel efficient trucks by encouraging the development and deployment of new and advanced cost-effective technologies. The product of four years of extensive testing and research, the vehicle and engine performance standards would cover model years 2018-2027 for certain trailers and model years 2021-2027 for semi-trucks, large pickup trucks, vans, and all types and sizes of buses and work trucks. The final standards are expected to lower CO2 emissions by approximately 1.1 billion metric tons, save vehicle owners fuel costs of about \$170 billion, and reduce oil consumption by up to two billion barrels over the lifetime of the vehicles sold under the program.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

48000000

Potential financial impact figure – maximum (currency)

76000000

Explanation of financial impact figure

While we can't accurately predict the effect this opportunity might have on future cost savings, given the significant variables, it's possible that it could be significant. The

potential financial impact figures provided above are based on estimated fuel savings (in gallons) that we have realized through the FedEx Express "Reduce, Replace, Revolutionize" approach to vehicle fuel efficiency over the last four fiscal years. These saving are primarily driven by the "Replace" component of that strategy, and estimated using the average vehicle fuel cost per gallon as reported in the respective Annual Reports. The minimum figure was based on the estimated fuel savings from FY16 (2017 Global Citizenship Report) using the amount of fuel saved in FY16 from the Reduce, Replace, Revolutionize programs (21,433,384 gallons) multiplied by the average vehicle fuel cost (\$2.24) as reported in our 2016 Annual Report. The maximum figure was based on the estimate for FY19 (2020 Global Citizenship Report) by multiplying the FY19 fuel savings from Reduce, Replace, Revolutionize programs (24,754,458.00 gallons) by the average vehicle fuel cost (\$3.05/gallon) as reported in our 2019 Annual Report. In lieu of any reliable way to estimate the future financial impacts related to this opportunity, we believe this is the best proxy to satisfy CDP's disclosure requirement.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

FedEx actively participates in the political process to promote and protect the economic future of the company, our stockholders, and employees. We ethically promote legislative and regulatory actions that further business objectives and attempt to protect FedEx from unreasonable, unnecessary or burdensome legislative or regulatory actions. FedEx was actively involved in the EPA's stakeholder engagement process, providing comments to the proposed GHG Emissions and Fuel Efficiency Standards for Medium and Heavy Duty Engines and Vehicles. The legislation passed with FedEx support and finalized standards were introduced to improve fuel efficiency. The most recent phase two program promoted a new generation of cleaner fuel efficient trucks and presented an opportunity to improve the national fleet. FedEx was the first transportation logistics company to call upon the development of these standards. We are also advocating with U.S. regulators to allow larger 33-foot trailers in a twin-configuration which will increase freight capacity by 18%, and reduce truck traffic by 1.3 billion miles per year. And, in fact, we recently continued this advocacy with Politico referencing it as one of seven ways to boost sustainability (<https://www.politico.com/news/agenda/2020/07/14/regulation-cutting-sustainability-356408?nname=the-long-game&nid=00000171-5b34-d92d-a5ff-db3ee8890000&nrid=00000171-e569-dcea-ad7b-f77d6c200000&nlid=2672637>). And, we have actively supported the United Nations International Civil Aviation Organization's (ICAO) CORSIA (Carbon Offsetting Reduction Scheme in International Aviation). We entered 0 in the "Cost to realize opportunity" column to satisfy CDP's disclosure requirement, as FedEx do not disclose this information for competitive reasons. The costs associated with advocating for this opportunity are embedded in our general public policy engagement initiatives and our overall sustainability strategy, which we do not disclose for competitive reasons.

Comment

We entered 0 in the "Cost to realize opportunity" column to satisfy CDP's disclosure requirement, as FedEx do not disclose this information for competitive reasons. The costs associated with advocating for this opportunity are embedded in our general public policy engagement initiatives and our overall sustainability strategy, which we do not disclose for competitive reasons.

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resilience

Primary climate-related opportunity driver

Other, please specify (Increased reliability and potential reputational benefits)

Primary potential financial impact

Other, please specify (Increased reliability of supply chain and ability to operate under various conditions)

Company-specific description

Given the broad and global scope of our operations across more than 220 countries and territories and our susceptibility to global macro-economic trends, we are particularly vulnerable to the physical risks of climate change that could affect all of humankind, such as shifts in weather patterns and world ecosystems. While we operate several integrated networks with assets distributed throughout the world, there are concentrations of key assets within our networks that are exposed to adverse weather conditions or localized risks from natural disasters such as tornadoes and floods. The loss of a key location such as our Indianapolis Hub or one of our information technology centers could cause a significant disruption to our operations and cause us to incur significant costs to re-establish or relocate these functions. Moreover, resulting economic dislocations, including supply chain and fuel disruptions, could adversely impact demand for our services. Consequently, FedEx has over 40 years of experience in proactively addressing situations, such as severe weather events, that can occur at any given time anywhere in the world; we are adept at implementing contingency plans at a moment's notice and we have the flexibility within our system to make the necessary adjustments to minimize the impact to our customers. The outcome of this contingency planning capability means that FedEx is in the position to restore operations and resume services promptly following natural disaster situations like severe weather events. This in turn allows us to serve our customers as quickly as possible while ensuring the security for their shipments, thereby enhancing our brand reputation. Furthermore, our skill in responding quickly, efficiently and on a global scale makes FedEx one of the companies called upon to deliver disaster or emergency relief and medical supplies during times of crisis. This in turn enhances our brand reputation among other key stakeholders like NGOs and government agencies. During FY19, FedEx Cares, our community giving and volunteering platform provided humanitarian relief for several weather events including Hurricane Florence, Hurricane Michael, Indonesia Earthquake/Tsunami and Typhoon Mangkhut and Cyclone Imai.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

While we cannot quantify the effect this opportunity might have on our revenues, it is reasonably possible, however, that it could be material, in particular as it relates to protecting our revenues from a severe weather event disruption. For instance, around 1.4 million packages are processed through the Memphis World Hub every day (that volume is significantly higher during peak holiday seasons), representing approximately 26% of total global FedEx Express package volumes. In FY19 our average revenue

per FedEx Express package shipped in the US was \$18.54.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

FedEx employs a staff of 15 meteorologists who help manage risks associated with global weather patterns. They note weather anomalies which could impact operations, and notify leadership at impacted operating companies, who can then activate contingency operating plans. This forward posture helps us sustain safe and reliable operations through weather events and quickly resume operations. For example, the FedEx meteorology team began monitoring Superstorm Sandy 13 days prior to landfall. The operations teams were notified that the models indicated a possible impact along the north-eastern U.S and our contingency plan was activated to ensure all adequate preparations. As a result, we were able to resume operations at Newark and JFK airports on October 31 (two days after landfall). Furthermore, FedEx carried disaster relief materials into the region as we resumed operations, and FedEx had nearly restored full operations by the end of that week. In 2017 and 2018, in preparation for Hurricanes Harvey, Irma, and Maria, we also undertook pre-hurricane season preparation and hosted a preparation call to ensure our people and facilities were prepared ahead of the season. We initiated conference calls three days from the forecast impact to ensure all operational stakeholder teams were engaged and identified any pre-event needs. This enabled us to operate safely as late into the event as possible to maintain our customers critical supply chains. We stood down operations for the event, assessed the impact after the event and safely resumed operations as quickly as possible following the storms to re-establish our customers critical supply chains. We entered 0 in the "Cost to realize opportunity" column to satisfy CDP's disclosure requirement, as FedEx do not disclose this information for competitive reasons. The costs associated with this opportunity are embedded in our overall sustainability strategy, which we do not disclose for competitive reasons.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Shift in consumer preferences

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

More than ever, customers and investors are looking to do business with companies that demonstrate strong sustainability performance. Increasingly, customers, shareowners and other stakeholders are requesting information and data on our citizenship programs. For example, in FY19 we provided Customer Emission Calculator (CEC) reports to over 7,600 customer teams. These reports inform customers of the carbon footprint resulting from our logistics services and help estimate our enterprise customers' Scope 3 carbon emissions by taking FedEx-specific package routing, facilities, aircraft fleet, and surface vehicles and applying industry standard CO2 fuel burn factors. In 2019, we also responded to 33 customer requests for CDP Climate Change questionnaire.

Time horizon

Long-term

Likelihood

Unlikely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

While we cannot predict the effect opportunity might have on our future revenues, it is reasonably possible, however, that it could be material. While it is difficult to quantify the financial impact of such an intangible opportunity, we would anticipate that it would have a relatively low impact on demand for our services, based on customer research that indicates CSR/sustainability ranks relatively low on the list of purchase decision factors for shipping services.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

Our strategies for addressing this risk include proactive external stakeholder engagement (especially customer-facing), and implementing our "Reduce, Replace, Revolutionize" strategy. We reduce or eliminate impacts from activities and operations. We replace assets that can be improved. And, we revolutionize operations by applying new innovative technologies. An example of a customer offering is our Customer Emissions Calculator, which creates a report with the customer's total shipping emissions and weight. The report offers emissions data broken out by operating company, transportation mode and scope classification, and which provides ton-miles or kg-kilometers by operating company. The methodology for our calculator is consistent with the World Resources Institute Greenhouse Gas Protocol. Emissions are calculated based on the weight, distance, service type and routing associated with the shipment. This information helps customers better address their sustainability concerns, improve reporting, and optimize their shipping habits. We also have resources for customers to reduce their environmental footprints through service selection, packaging, etc. We entered 0 in the "Cost to realize opportunity" column to satisfy CDP's disclosure requirement. The costs associated with managing this risk driver are embedded in our general public policy engagement initiatives and our overall sustainability strategy, which we do not disclose for competitive reasons.

Comment

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes, and we have developed a low-carbon transition plan

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform its strategy?

No, but we anticipate using qualitative and/or quantitative analysis in the next two years

C3.1c

(C3.1c) Why does your organization not use climate-related scenario analysis to inform its strategy?

We acknowledge that there is a need to start modeling the potential impacts of climate change on future planning decisions related to optimizing our transportation logistics networks. Such impacts could influence future shipping volume flows and the geographic location of transportation hubs and distribution centers, to name a few. We are currently investigating the potential to expand our scenario analysis planning tools to incorporate such climate-related factors in the near future. FedEx has not yet used a climate-related scenario analysis in our operations as we are in the process of implementing several new network planning models based on advanced analytics such as simulation, optimization, statistics and machine learning. These models are based on learning algorithms and get better with feedback loops and as more data is recorded over time.

These models include a new network scenario analysis and planning tool that uses simulation, machine learning and optimization models to analyze the impact of flight and truck arrival patterns and available resources on flight and truck delays which ultimately impact package delivery commitments. This model has been implemented at the Memphis hub and will be rolled out to Indianapolis and Fort Worth hub in the second half of 2020. We plan to expand to 5+ hubs by the end of the year, followed by the rest of the domestic and global network. We are also implementing a machine learning model this year which will predict risk of delivery delays and the impact of various factors on each individual package. This model will take factors like historical flight times, traffic, weather, and other factors into consideration.

Therefore, while climate-related factors have not been considered in these models to date, there may be future opportunity to incorporate it into these models once these models have been implemented and in use for a period of time. In addition to these models, there are pre-existing network planning teams at our operating companies that utilize sophisticated computational business analytical tools to model potential future scenarios that could affect our business operations, in order to develop robust strategies to ensure the resilience of our networks. These tools incorporate a variety of factors including potential population growth/declines, congestion, and demand for our shipping and retail service offerings, among others.

FedEx also has an in-house 15-staff meteorology division located in its Global Operations Control Center in Memphis, Tennessee, that utilizes state-of-the-art weather monitoring tools including real-time and historical data from the National Oceanic and Atmospheric Administration (NOAA) in the U.S. All FedEx employees with a climate or weather inquiry can take advantage of the team's expertise. For example, in the winter months the meteorology team often receives inquiries from the trucking units regarding snowfall forecasts to transit routes in the northeast or through the mountainous areas of the western United States. The meteorology division staff also helps manage risks associated with global weather patterns. When they note a weather anomaly which could impact or pose a threat to FedEx operations, that information is relayed to the operational leadership at each impacted FedEx operating company, who in turn use this information to activate contingency operating plans. We anticipate leveraging the expertise of this division as we explore incorporating climate-related factors into our future scenario analysis planning tools.

C3.1d

(C3.1d) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Climate related risks and opportunities (as reported in 2.3a and 2.4a) has influenced our strategy in short, medium, and long-term time horizons. Our strategies include external stakeholder engagement and implementing our "Reduce, Replace, Revolutionize" approach. In the short- and medium time horizon, we reduce or eliminate impacts from operations and replace assets that can be improved. We revolutionize operations by applying innovative technologies in the long-term. Now, more than ever, our customers and investors are looking to do business with companies that demonstrate strong sustainability performance. Recognizing the need for sustainable products and services, we created the Customer Emissions Calculator (CEC). The creation of this tool is our most substantial strategic decision as it provides customer emissions information resulting from our logistics services, helping customers better address their sustainability concerns, improve reporting, and analyse and optimize their shipping habits. In FY19, we provided (CEC) reports to over 7,600 customer teams. We also have resources available that provide tips on how customers can further reduce their environmental footprints through service selection, packaging, etc. The methodology for our calculator is consistent with the World Resources Institute Greenhouse Gas Protocol, and emissions associated with shipments are calculated based on the weight, distance, service type and routing associated with the shipment. The impact of opportunities has influenced FedEx in the short, medium, and long term time horizon as we are testing and applying innovative solutions to reduce the use of traditional vehicles and expand electric vehicles, bicycles, autonomous devices, and other last-mile delivery options. Roxo™, the FedEx On Demand Bot, and use of drone technology, both tested during FY19, are two examples that hold promise for helping to address climate related risks and opportunities. Both the drone and the FedEx On Demand Bot produces no localized emissions. Another example is the launch of a new carbon offset option in the redemption catalog for My FedEx Rewards. This service offering was launched in June 2020 and provides members the ability to use their rewards points to redeem carbon offsets used to fund projects that destroy greenhouse gases and produce renewable energy through Terrapass.
Supply chain and/or value chain	Yes	Risks and opportunities related to the growing customer interest in sustainability has influenced our supply chain and value chain strategy in the short-term time horizon. Across our global business, we work to identify and manage critical supply chain risks through robust, enterprise-wide policies and procedures. FedEx suppliers work closely with us to mitigate risks, especially those inherent in extended supply chains. We mitigate the most significant risks by focusing on those suppliers critically dependent to our business success. Our Sourcing organization's Supplier Relationship Management team leads efforts to improve those suppliers' sustainability practices. For instance, our sourcing team conducts regular supplier screenings to evaluate sustainability performance and work with suppliers on any necessary improvements. Our most substantial decision is the inclusion of sustainability-related questionnaires in our requests for qualifications and proposals in core categories, sustainability-related contract language in 99.6% of our key supplier contracts, and sustainability criteria in 100% of our scorecards in FY19. Our SRM team also requires that all our Sourcing – Managed Suppliers provide their full Business Continuity and disaster recovery plans. These plans are evaluated through a robust process which the FedEx Vendor Risk Management team helped to design. Through this process, FedEx is able to mitigate those supply chain risks as it relates to climate change, cybersecurity, financials, and many other identified factors. The suppliers are scored at least annually on what they have provided to ensure the plans have been provided, discussed, and tested. Another area that could be impacted is the ability of our aircraft and vehicle suppliers to help us comply with future climate-related regulations. We work with those suppliers through our "Reduce, Replace, Revolutionize" approach to sustainability to develop and implement aircraft and vehicle innovations to address those risks.
Investment in R&D	Yes	Climate related risks and opportunities have influenced our "Investment in R&D". The most substantial decision made due to opportunities presented in reducing our CO2e emissions and fuel cost has been the increased focus on last mile delivery innovation. An example of an investment in R&D influenced by climate related risks and opportunities include the creation of the FedEx On Demand Bot in collaboration with DEKA Development and Research Corp. The FedEx On Demand Bot, has 100 pounds of payload capacity and the ability to navigate rough terrain, including hills and small flights of stairs. The all-electric Bot produces no localized emissions. Another example of an investment in R&D that has been influenced by climate related risks and opportunities is the City Logistics Pilot in Europe where we are exploring alternatives to traditional vehicles and rethinking the last mile delivery of packages to customers in an urban environment. FedEx Express launched pilot programs in six major cities to identify the best combination of mobility solutions including electric vehicles, autonomous devices, and controlled access to car trunks, as well as options such as foot couriers; cargo bicycles with two, three, and four wheels; bicycles with trailers behind them; and potentially public transit systems to carry packages. The overarching objective is to deliver packages as safely, sustainably, and efficiently as possible using an intelligent logistics system that can be applied in many locations. We also consider the collaboration we undertake with our aircraft and vehicle suppliers through the "Revolutionize" component of our sustainability strategy as our "Investments in R&D", even though the R&D investments are undertaken by those suppliers. Examples here include the development, field-testing and adoption of alternative-fuel and advanced technologies in both our aviation and vehicle fleets, which we believe will play a critical part in reducing global GHG emissions in the transportation sector. The impact of our investment in alternative jet fuels is in support of our goal to obtain 30 percent of jet fuel from alternative fuels by 2030. These initiatives are all part of our "Revolutionize" approach to sustainability. These have been spurred on by the long term risks/opportunities identified related to regulations and reputation identified through ERM.
Operations	Yes	Climate related risks and opportunities have influenced our operations strategy. Our strategies include implementing our "Reduce, Replace, Revolutionize" approach to sustainability. We reduce or eliminate impacts from activities and operations. We replace assets that can be improved. And, we revolutionize operations by applying new innovative technologies. Our most impactful business decision has been the acceleration of our aircraft modernization program in 2013. By upgrading our aircraft fleet to more efficient models - such as the Boeing 767 Freighters, which are about 30% more fuel efficient than the MD10s they replace - we add flexibility to our operations, improve our margins and reduce emissions. In FY19 alone, the aircraft fleet modernization program saved more than 140 million gallons of fuel, avoiding more than 1.3 million metric tons of CO2e emissions, which is a 28% savings increase over FY18 and almost 12% of the emissions generated by our aircraft in FY19. As a part of the "Reduce" component of our approach, we also have operational programs that help reduce fuel and energy use such as more efficient aircraft and vehicle routing. In particular, our FedEx Fuel Sense program identifies efficiencies across our aviation operations. Front-line team members, experts from various departments all contribute to a companywide culture of fuel-saving behavior, saving an estimated 109.6 million gallons of jet fuel in FY19, avoiding 1,054,418 metric tons of CO2e, an increase of 15.6% over FY18 savings. Our on-going aircraft fleet modernization and Fuel Sense Program supports our goal to reduce aircraft emissions intensity 30% from a 2005 baseline by 2020. In addition to our aircraft emissions reduction goal, we also have a publicly-stated vehicle fuel efficiency improvement goal to increase FedEx Express vehicle fuel efficiency by 50% from a 2005 baseline by 2025. The "Revolutionize" aspect of our strategy is heavily influenced by long-term considerations. Included here is our goal to obtain 30% of our jet fuel from alternative fuels by the year 2030, adopt alternative-fuel and advanced vehicle technology, and expand the generation and procurement of renewable energy for our facilities. In FY19, we had more than 2,944 electric vehicles in service and a total of 25 on-site solar installations.

C3.1e

(C3.1e) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Capital expenditures Capital allocation	Climate related risks and opportunities have influenced our capital expenditures and capital allocation financial planning. We maintain a comprehensive capital authorization process that involves our Board of Directors and includes reviewing capital requests from our operating companies and allocating available capital across the enterprise based on needs and acceptable investment returns. Climate-related risks and opportunities prioritized through our ERM process influence the degree to which those capital expenditures are allocated for specific items, e.g. aircraft and vehicle fleet modernization. The need to reduce carbon or other greenhouse gas emissions have influenced our capital expenditures and capital allocation financial planning. For instance, our most impactful capital expenditure and capital allocation opportunity is our aircraft fleet modernization program, which was accelerated in 2013, and has enabled us to avoid significant GHG emissions by replacing less fuel-efficient aircraft with more efficient models. In FY19 alone, the aircraft fleet modernization program saved more than 140 million gallons of fuel and avoided more than 1.3 million metric tons of CO2e emissions. The impact of savings from aircraft fleet modernization driven by the potential risk of increased operating costs applies towards the short and medium-term time horizon. In the short-term time horizon, FedEx Express permanently retired 10 Airbus A310-300 aircraft and 12 related engines in FY20 and we expect to retire 20 of our MD-10-10 aircraft over FY20 and FY21.

C3.1f

(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Intensity target

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Year target was set

2011

Target coverage

Business division

Scope(s) (or Scope 3 category)

Scope 1

Intensity metric

Other, please specify (Pounds of CO₂ per available-ton-mile)

Base year

2005

Intensity figure in base year (metric tons CO₂e per unit of activity)

1.51

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

82

Target year

2020

Targeted reduction from base year (%)

30

Intensity figure in target year (metric tons CO₂e per unit of activity) [auto-calculated]

1.057

% change anticipated in absolute Scope 1+2 emissions

28

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO₂e per unit of activity)

1.1476

% of target achieved [auto-calculated]

80

Target status in reporting year

Underway

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Please explain (including target coverage)

We have been working to reduce aircraft emissions since 2005, our baseline year, and announced our first reduction goal of 20% by 2020 in 2008. Three years later, in 2011, we revised this target upwards to 30%. This target was reported to CDP in 2017 and its progress is being reported again against the same target in 2019. Since 2005, our aircraft emissions intensity has decreased by more than 24 percent. However, as we have previously reported, our progress is falling short of the overall improvements needed to meet our revised 30% reduction goal. Continued higher e-commerce and other shipping volumes, and the need to maintain older aircraft marked for retirement while we await production of more efficient replacements, have presented ongoing challenges toward our goal.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to increase low-carbon energy consumption or production

Other climate-related target(s)

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.**Target reference number**

Low 1

Year target was set

2009

Target coverage

Business activity

Target type: absolute or intensity

Absolute

Target type: energy carrier

Other, please specify (Jet fuel)

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Metric (target numerator if reporting an intensity target)

Percentage

Target denominator (intensity targets only)

<Not Applicable>

Base year

2020

Figure or percentage in base year

0

Target year

2030

Figure or percentage in target year

30

Figure or percentage in reporting year

0

% of target achieved [auto-calculated]

0

Target status in reporting year

Underway

Is this target part of an emissions target?

Our target to obtain 30% of jet fuel from alternative fuels by 2030 supports our overall "Reduce, Replace, Revolutionize" approach to sustainability however is not part of the previously reported aircraft emissions intensity target in 4.1b.

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain (including target coverage)

In FY15, we entered into an agreement with Colorado-based Red Rock Biofuels to purchase alternative jet fuel made from waste woody biomass. Red Rock Biofuels, will supply low-carbon, renewable jet fuel to FedEx Express, and began constructing a biodiesel refinery in 2019. The refinery anticipates shipping its first delivery of product by the end of 2020. We have a goal to obtain 30% of jet fuel from alternative fuels by 2030.

Target reference number

Low 2

Year target was set

2013

Target coverage

Business division

Target type: absolute or intensity

Absolute

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Metric (target numerator if reporting an intensity target)

Percentage

Target denominator (intensity targets only)

<Not Applicable>

Base year

2013

Figure or percentage in base year

0.3

Target year

2020

Figure or percentage in target year

5

Figure or percentage in reporting year

5.4

% of target achieved [auto-calculated]

108.510638297872

Target status in reporting year

Achieved

Is this target part of an emissions target?

Our FedEx Ground goal to obtain 5% of renewable energy by 2020 supports our overall "Reduce, Replace, Revolutionize" approach to sustainability however is not part of the previously reported aircraft emissions intensity target in 4.1b.

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain (including target coverage)

In 2013, FedEx Ground unveiled an ambitious set of sustainability goals focused on renewable energy, alternative fuels, energy efficiency, and waste diversion. This includes a 5% renewable energy goal by 2020. FedEx Ground surpassed this goal by growing the renewable energy infrastructure. Today, the company has 15 locations using solar energy in their operations. These include on-site solar installations, along with one facility in Spokane, Washington that receives all of its electricity from energy produced by a nearby solar farm, and the Maui, Hawaii facility that features a solar-plus-storage system.

Target reference number

Low 3

Year target was set

2013

Target coverage

Business division

Target type: absolute or intensity

Absolute

Target type: energy carrier

Other, please specify (Diesel)

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Metric (target numerator if reporting an intensity target)

Percentage

Target denominator (intensity targets only)

<Not Applicable>

Base year

2013

Figure or percentage in base year

3

Target year

2020

Figure or percentage in target year

10

Figure or percentage in reporting year

12.3

% of target achieved [auto-calculated]

132.857142857143

Target status in reporting year

Achieved

Is this target part of an emissions target?

Our FedEx Ground goal to replace 10% of diesel with alternative fuels by 2020 supports our overall "Reduce, Replace, Revolutionize" approach to sustainability however is not part of the previously reported aircraft emissions intensity target in 4.1b.

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain (including target coverage)

In 2013, FedEx Ground unveiled an ambitious set of sustainability goals focused on renewable energy, alternative fuels, energy efficiency, and waste diversion. This

includes the alternative fuels goal to replace 10% of diesel with alternative fuels by 2020. FedEx Ground has achieved and surpassed this goal with over 12.3% of diesel displaced with alternative fuels. FedEx Ground helps to increase alternative fuel accessibility for our service providers through fuel islands. Our fuel island network has enabled our service providers to maintain a network of more than 180 alternative fuel vehicles.

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	10	0
To be implemented*	1	468
Implementation commenced*	1	1457
Implemented*	6	29443
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Transportation	Other, please specify (Aircraft fuel saving initiative under our Fuel Sense Program)
----------------	--

Estimated annual CO2e savings (metric tonnes CO2e)

1847

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

407000

Investment required (unit currency – as specified in C0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

Ongoing

Comment

Crew Uplift Reduction will reduce crew uplifts and right size the fuel loads on our aircraft. This will reduce the weight of the flight and reduce the amount of fuel burned.

Initiative category & Initiative type

Transportation	Other, please specify (Aircraft fuel saving initiative under our Fuel Sense Program)
----------------	--

Estimated annual CO2e savings (metric tonnes CO2e)

3274

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

718000

Investment required (unit currency – as specified in C0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

Ongoing

Comment

Reduced Scavenge Pump Fuel Initiative will reduce the fuel required for the scavenge pumps on the 777 aircraft.

Initiative category & Initiative type

Transportation	Other, please specify (Aircraft fuel saving initiative under our Fuel Sense Program)
----------------	--

Estimated annual CO2e savings (metric tonnes CO2e)

22863

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

5010000

Investment required (unit currency – as specified in C0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

Ongoing

Comment

Improved Payload Planning Initiative will help develop a more precise feedback system and increase Management focus to the payload planning process. Each dispatcher was given daily feedback to the payload planning accuracy.

Initiative category & Initiative type

Low-carbon energy generation	Other, please specify (Fuel Cell)
------------------------------	-----------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

932

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

219400

Investment required (unit currency – as specified in C0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

11-15 years

Comment

This was a \$0 capital project in Middletown, CT in which we buy lower cost/emission energy on a per kWh basis.

Initiative category & Initiative type

Low-carbon energy consumption	Solar PV
-------------------------------	----------

Estimated annual CO2e savings (metric tonnes CO2e)

516

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

0

Payback period

<1 year

Estimated lifetime of the initiative

6-10 years

Comment

This was a facility in Spokane, WA that utilized green tariffs to purchases all of its electricity from energy produced by a near by solar farm.

Initiative category & Initiative type

Low-carbon energy generation	Solar heating and cooling
------------------------------	---------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

11.4

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

1722

Investment required (unit currency – as specified in C0.4)

7404

Payback period

4-10 years

Estimated lifetime of the initiative

16-20 years

Comment

This was a project at the Davenport, FL facility that installed solar thermal panels to help reduce the compressor load for the air conditioning system. This helps increase occupancy comfort at the facility while decreasing energy usage.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Financial optimization calculations	As part of our standard financial investment decision making processes, we factor in the cost savings and other financial benefits (e.g. tax incentives) associated with investing in more fuel/energy efficient technologies in our aircraft and vehicle fleet and operations.
Compliance with regulatory requirements/standards	Active and potential regulations such as the EU ETS and pending regulations such as the U.S. EPA / Department of Transportation's action to promulgate greenhouse gas emission / fuel economy regulations for commercial vehicles could help drive our investments in more fuel-efficient aircraft and vehicles in order to comply with regulatory obligations and take advantage of the associated fuel cost savings from operating more efficient transportation assets. This can also drive investments in carbon offsets. For example, in accordance with the inclusion of aviation in the obligations of the intra-EU/European Economic Area (EEA) scope of the EU ETS, FedEx monitors fuel usage and emissions for applicable flights. Each year, relevant data has been 3rd party verified to demonstrate continued compliance. As required, our compliance efforts include purchasing and surrendering allowances, when necessary. FedEx also implemented an emissions monitoring plan to meet the requirements of the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) program developed by the International Civil Aviation Organization (ICAO), a specialized agency of the United Nations. Like a number of U.S. airlines, FedEx actively supported our industry association in helping FAA implement CORSIA. In light of CORSIA's objective to complement technology, operations, infrastructure and sustainable aviation fuel efforts and assist global airlines in meeting the goal of carbon-neutral growth after 2020, FedEx submitted its first monitoring report and is preparing for the carbon offsetting obligations of CORSIA. FedEx recognizes the EU ETS, CORSIA and other carbon related regional or local taxes & fees as both opportunities and liabilities given our global growth plans. FedEx will continue to deploy methods to continually improve our fleet efficiencies, make advances in our operations and use of technology as well as support global aviation infrastructure improvements to mitigate any potentially adverse impacts.
Other	Occasionally we explore opportunities to invest in emissions reduction initiatives if a significant customer service enhancement, reputational or brand recognition benefit can be gained.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

No

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

June 1 2008

Base year end

May 31 2009

Base year emissions (metric tons CO2e)

14101552

Comment

Scope 2 (location-based)

Base year start

June 1 2008

Base year end

May 31 2009

Base year emissions (metric tons CO2e)

1065689

Comment

Scope 2 (market-based)

Base year start

June 1 2016

Base year end

May 31 2017

Base year emissions (metric tons CO2e)

1094867

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

15406173

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

Our approach to calculating our Scope 2, location-based figure involves coordinating with our teams in all of the operating companies to aggregate purchased facility electricity use across the enterprise. Based on comprehensive assessment performed for FY17, we determined the difference between Location- and Market-based Scope 2 emissions is de minimis at the present time. Therefore, we are reporting the same value for both metrics in FY18.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

995988

Scope 2, market-based (if applicable)

995988

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

Based on comprehensive assessment performed for FY17, we determined the difference between Location- and Market-based Scope 2 emissions is de minimis at the present time. Therefore, we are reporting the same value for both metrics in FY19.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

Fuel use from emergency back-up generators and a few forklifts at non-hub locations.

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

No emissions from this source

Relevance of market-based Scope 2 emissions from this source (if applicable)

No emissions from this source

Explain why this source is excluded

The emissions from these sources have not been reported as they contribute to less 1% of our overall Scope 1 emissions.

Source

FedEx Office stores where electricity usage is bundled with the facility leases, and at some international subsidiaries that have been recently acquired.

Relevance of Scope 1 emissions from this source

No emissions from this source

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

The emissions from these sources have not been reported as they contributed to less than 1% of our overall Scope 2 emissions.

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.**Purchased goods and services****Evaluation status**

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Given the variety of goods and services that we purchase for our business and the complexity associated with estimating the embedded carbon for those items, we have not had the opportunity to estimate these emissions yet.

Capital goods**Evaluation status**

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Given the variety of capital goods that we purchase for our business and the complexity associated with estimating the embedded carbon for those items, we have not had the opportunity to estimate these emissions yet.

Fuel-and-energy-related activities (not included in Scope 1 or 2)**Evaluation status**

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Given the variety of fuel and energy-related inputs that we purchase for our business and the complexity associated with estimating the embedded carbon for those items, we have not had the opportunity to estimate these emissions yet.

Upstream transportation and distribution**Evaluation status**

Relevant, calculated

Metric tonnes CO2e

2817829

Emissions calculation methodology

Our Scope 3 contracted transportation emissions include those from (1) fuel used by FedEx Ground independent contractors, (2) fuel used by FedEx Freight contractors in Canada, (3) allocated portion of fuel burned by commercial interline aircraft carriers in support of FedEx Express international shipping, and (4) contracted intermodal rail. For (1) and (2), the emissions calculations are based on fuel we provide directly to those suppliers or which we track through the use of fuel purchase credit cards, and apply the same emissions calculation methodology we described for Scope 1 above. The emissions data for (3) is provided to us by our commercial interline aircraft carriers using an allocation methodology developed by the International Air Transport Association (IATA). For (4), the emissions calculations are based on information provided by our suppliers. Our Scope 3 upstream transportation and distribution emissions include those from fuel used by contracted interline, intermodal rail, and vehicles. It does not include emissions from business travel or fuel used by our feeder planes in Canada.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Waste generated in operations

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Given the variety of waste materials generated and the complexity associated with estimating the associated carbon for those materials, we have not had the opportunity to estimate these emissions yet.

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO2e

79054

Emissions calculation methodology

Our third-party business travel service provider estimated Scope 3 emissions associated with commercial air travel undertaken by our team members in FY19.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Employee commuting

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Given the scale and geographic diversity of our workforce and the complexity associated with estimating the carbon associated with their commuting, we have not had the opportunity to estimate these emissions yet.

Upstream leased assets

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Given the scale and variety of upstream leased assets we use for our business and the complexity associated with estimating the embedded carbon for those items, we have not had the opportunity to estimate these emissions yet.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Our main services - delivering customers' packages and freight - do not result in any significant emissions by our customers. However, we aim to inform customers of the carbon footprint resulting from our transportation logistics services through the FedEx Carbon Calculator tool, which can estimate our enterprise customers' Scope 3 carbon emissions by taking FedEx-specific package routing, facilities, aircraft fleet, and surface vehicles and applying industry standard CO2 fuel burn factors. As a result, customers are empowered with the knowledge necessary to decrease their shipping-related emissions and to pay for associated carbon offsets through their preferred organizations.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Our main services - delivering customers' packages and freight - do not result in any significant emissions by our customers. However, we aim to inform customers of the carbon footprint resulting from our transportation logistics services through the FedEx Carbon Calculator tool, which can estimate our enterprise customers' Scope 3 carbon emissions by taking FedEx-specific package routing, facilities, aircraft fleet, and surface vehicles and applying industry standard CO2 fuel burn factors. As a result, customers are empowered with the knowledge necessary to decrease their shipping-related emissions and to pay for associated carbon offsets through their preferred organizations.

Use of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Our main services - delivering customers' packages and freight - do not result in any significant emissions by our customers. However, we aim to inform customers of the carbon footprint resulting from our transportation logistics services through the FedEx Carbon Calculator tool, which can estimate our enterprise customers' Scope 3 carbon emissions by taking FedEx-specific package routing, facilities, aircraft fleet, and surface vehicles and applying industry standard CO2 fuel burn factors. As a result, customers are empowered with the knowledge necessary to decrease their shipping-related emissions and to pay for associated carbon offsets through their preferred organizations.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Our main services - delivering customers' packages and freight - do not result in any significant emissions by our customers. However, we aim to inform customers of the carbon footprint resulting from our transportation logistics services through the FedEx Carbon Calculator tool, which can estimate our enterprise customers' Scope 3 carbon emissions by taking FedEx-specific package routing, facilities, aircraft fleet, and surface vehicles and applying industry standard CO2 fuel burn factors. As a result, customers are empowered with the knowledge necessary to decrease their shipping-related emissions and to pay for associated carbon offsets through their preferred organizations.

Downstream leased assets

Evaluation status

Relevant, calculated

Metric tonnes CO2e

202410

Emissions calculation methodology

This includes the emissions from the FedEx Express feeder aircraft contract operators who lease aircraft from FedEx Express. The emissions calculations are based on the fuel we provide directly to those operators, and apply the same emissions calculation methodology we described for Scope 1 above.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Franchises

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

FedEx does not operate a franchised business model.

Investments

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

FedEx is not a financial institution and therefore does not have any relevant emissions related to investments in the reporting year that are not already included in Scope 1 or 2.

Other (upstream)

Evaluation status

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Other (downstream)

Evaluation status

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Yes

C6.7a

(C6.7a) Provide the emissions from biogenic carbon relevant to your organization in metric tons CO2.

	CO2 emissions from biogenic carbon (metric tons CO2)	Comment
Row 1	259034.25	

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.000235349

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

16402161

Metric denominator

unit total revenue

Metric denominator: Unit total

69693000000

Scope 2 figure used

Location-based

% change from previous year

5

Direction of change

Decreased

Reason for change

Our reported absolute Scope 1 & 2 emissions increased by 1% in FY19, while our consolidated revenues, expressed in USD, increased by more than 6% during that same period. Our intensity metric for FY19 decreased by 5% compared to the previous year. We have been very successful this past year in emission reduction activities even though revenue continued to grow. Our emission reduction activities include: i) Aircraft Efficiency Initiatives: Implemented efficiencies in flight operations through our global FedEx® Fuel Sense program and replaced many of our older airplanes with more fuel-efficient models. These initiatives alone saved more than 250 million gallons of fuel and avoided more than 2.41 million metric tons of CO2e emissions in FY19. This is a 22% increase in jet fuel savings and CO2e emissions avoided compared to FY18. ii) Vehicle Efficiency Initiatives: Through the FedEx Express Reduce, Replace, Revolutionize vehicle strategy has avoided more than 255,666 metric tons CO2e. This is a 6% increase in emissions avoided as compared to FY18. iii) Intermodal Rail Shipping: Use of intermodal rail transport at FedEx Freight is 70% more efficient than transport by road. In FY19, we have increased rail miles for FedEx Freight intermodal shipping by 7.8%. This has avoided 281,278 metric tons CO2e. This is a 5% decrease in emissions avoided as compared to FY18.

C-TS6.15

(C-TS6.15) What are your primary intensity (activity-based) metrics that are appropriate to your emissions from transport activities in Scope 1, 2, and 3?

HDV

Scopes used for calculation of intensities

Report just Scope 1

Intensity figure

0.000322

Metric numerator: emissions in metric tons CO2e

874839

Metric denominator: unit

t.mile

Metric denominator: unit total

2716891220.67

% change from previous year

-4

Please explain any exclusions in your coverage of transport emissions in selected category, and reasons for change in emissions intensity.

This intensity figure is based on 2019 U.S. EPA Smart Way data for FedEx Express in US and Canada and only includes CO2 information due to data availability. FedEx Express represents the majority of our total enterprise CO2 emissions. Emissions from other operating companies such as FedEx Ground was excluded due to the use of contractor fleets and data availability. FedEx Express saw a 4% decrease in HDV intensity figure. This can be attributed to vehicle fuel efficiency efforts under our "Reduce, Replace, Revolutionize" approach to sustainability. FedEx Express improved fuel efficiency 1.3% during FY19, contributing to a 41% improvement in FedEx Express vehicle fuel efficiency from a 2005 baseline.

Aviation

Scopes used for calculation of intensities

Report just Scope 1

Intensity figure

0.000521

Metric numerator: emissions in metric tons CO2e

11529328

Metric denominator: unit

t.mile

Metric denominator: unit total

22149421604

% change from previous year

-2

Please explain any exclusions in your coverage of transport emissions in selected category, and reasons for change in emissions intensity.

The intensity figure reported only included FedEx Express as it is the only operating company with aircraft. FedEx Ground, Freight, and Office do not operate aircraft. Metric denominator is available ton mile however that is not a selection. FedEx Express saw a 2% decrease in aviation intensity figure. This can be largely attributed to aircraft modernization and fuel efficiency efforts under our "Reduce, Replace, Revolutionize" approach to sustainability. These efforts helped save more than 250m gallons of fuel and 2.41 metric tons of co2e emissions in FY19.

ALL

Scopes used for calculation of intensities

Report just Scope 1

Intensity figure

0

Metric numerator: emissions in metric tons CO2e

0

Metric denominator: unit

t.mile

Metric denominator: unit total

0

% change from previous year

0

Please explain any exclusions in your coverage of transport emissions in selected category, and reasons for change in emissions intensity.

Zero was provided in response to intensity figure, metric numerator: emissions in metric tons CO2e, metric denominator: unit total, and in % change from previous year in order to meet CDP disclosure requirements. An overall intensity metric is not feasible at this time due to the various intensity metrics used internally across the enterprise.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	15252870	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	5182	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	138380	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
United States of America	11337333.89
Other, please specify (Rest of World)	5258250.54

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Air	11692918
Road	3330599
Facilities (nat gas and heating oil)	382656

C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4

(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Net Scope 1 emissions, metric tons CO2e	Comment
Cement production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Chemicals production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Coal production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Electric utility activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Metals and mining production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (upstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (midstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (downstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Steel production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport OEM activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport services activities	15406173	<Not Applicable>	FedEx is purely a transportation company and all of our activities are in support of transportation services and related activities. Therefore our gross global scope 1 emissions by transport services are the same as our overall scope 1 emissions.

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
United States of America	865898	865898	1872697	0
Canada	4551	4551	40045	0
Asia Pacific (or JAPA)	55193	55193	91716	0
Europe, Middle East and Africa (EMEA)	60544	60544	205060	0
Latin America and Caribbean (LAC)	9801	9801	34207	0

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By activity

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Total Facility Energy Use	995988	995988

C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7

(C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7) Break down your organization's total gross global Scope 2 emissions by sector production activity in metric tons CO2e.

	Scope 2, location-based, metric tons CO2e	Scope 2, market-based (if applicable), metric tons CO2e	Comment
Cement production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Chemicals production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Coal production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Metals and mining production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (upstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (midstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (downstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Steel production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport OEM activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport services activities	995988	995988	As a transport service provider, all of our gross global scope 2 emissions are in support of transport services and related activities.

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?
Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	13447	Decreased	0.08	Our on-site solar electricity generation (see our 2020 Global Citizenship Report and Appendix) helped us avoid 13,447 metric tons CO2e. This is equivalent to a 0.08% decrease in emissions from FY18's Scope 1 and 2 emissions which was 16,202,370 metric tons CO2e. The emissions value percentage calculation for this is $(-13,447 / 16,202,370) * 100 = -0.08\%$.
Other emissions reduction activities	3126852	Decreased	19.3	Collectively, our most impactful sustainability initiatives (see our 2020 Global Citizenship Report and Appendix), not including renewable energy or fuel cell energy, helped us avoid more than 3.1 million metric tons of greenhouse gas emissions in FY19. This represents approximately 19.3% of our FY18 Scope 1 & 2 emissions. The calculation for this is $(3,126,852 / 16,202,370) * 100 = 19.3\%$. For example, our long-standing FedEx Fuel Sense program identifies efficiencies across aviation operations by drawing on the insights and ideas of front-line team members and experts who contribute to a culture of fuel-saving behavior. A total of 70 projects have been identified since the program began in 2006, and 764.7 million gallons of jet fuel have been saved since then as well. Collectively, FedEx Fuel Sense programs saved almost 109.6 million gallons of jet fuel in FY19, and avoided more than 1,054,418 metric tons of CO2e emissions. This is an increase from FY18 when Fuel Sense Programs saved 94 million gallons and avoided more than 912,000 metric tons of CO2e emissions.
Divestment		<Not Applicable >		
Acquisitions		<Not Applicable >		
Mergers		<Not Applicable >		
Change in output		<Not Applicable >		
Change in methodology		<Not Applicable >		
Change in boundary		<Not Applicable >		
Change in physical operating conditions		<Not Applicable >		
Unidentified		<Not Applicable >		
Other		<Not Applicable >		

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 5% but less than or equal to 10%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	65970	63351197	63417167
Consumption of purchased or acquired electricity	<Not Applicable>	0	2243611	2243611
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	0	139	139
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	23611	<Not Applicable>	23611
Total energy consumption	<Not Applicable>	89581	65594947	65684528

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	No
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Jet Kerosene

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

47901753.29

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

9.57

Unit

kg CO2 per gallon

Emissions factor source

US Energy Information Administration Carbon Dioxide Emissions Coefficients

Comment

Fuels (excluding feedstocks)

Diesel

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

11966905.79

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

10.16

Unit

kg CO2 per gallon

Emissions factor source

US Energy Information Administration Carbon Dioxide Emissions Coefficients

Comment

Fuels (excluding feedstocks)

Motor Gasoline

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

977017.77

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

8.89

Unit

kg CO2 per gallon

Emissions factor source

US Energy Information Administration Carbon Dioxide Emissions Coefficients

Comment

Fuels (excluding feedstocks)

Propane Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

285998.5

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

5.76

Unit

kg CO2 per gallon

Emissions factor source

US Energy Information Administration Carbon Dioxide Emissions Coefficients

Comment

Fuels (excluding feedstocks)

Compressed Natural Gas (CNG)

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

41379.58

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

6.89

Unit

kg CO2 per gallon

Emissions factor source

EPA Climate Leadership GHG Emission Factors Hub

Comment

Fuels (excluding feedstocks)

Liquefied Natural Gas (LNG)

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

73.66

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

7.49

Unit

kg CO2 per gallon

Emissions factor source

EPA Climate Leadership GHG Emission Factors Hub

Comment

Fuels (excluding feedstocks)

Natural Gasoline

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

2168886.08

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

117.1

Unit

lb CO2 per 1000 cubic ft3

Emissions factor source

US Energy Information Administration Carbon Dioxide Emissions Coefficients

Comment

Fuels (excluding feedstocks)

Heavy Gas Oil

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

9182.59

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

11.09

Unit

kg CO2 per gallon

Emissions factor source

EPA Climate Leadership GHG Emission Factors Hub

Comment

Fuels (excluding feedstocks)

Biodiesel

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

65969.72

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

9.54

Unit

kg CO2 per gallon

Emissions factor source

US Energy Information Administration Carbon Dioxide Emissions Coefficients

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	35934	35934	23611	23611
Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

Other, please specify (We utilize a mix of on-site/off-site solar facilities, Guarantees of Origin, Renewable Energy Certificates, and Power Purchase Agreements with/without energy attribute certificates. However, our scope 2 emissions are based on average grid emissions.)

Low-carbon technology type

Other, please specify (We utilize a mixture of low carbon electricity including but not limited to solar.)

Country/region of consumption of low-carbon electricity, heat, steam or cooling

Other, please specify (North American and Europe)

MWh consumed accounted for at a zero emission factor

0

Comment

Our North American FedEx operations and our European TNT Express locations utilize a mixture of low carbon electricity from a range of sources including on-site/off-site solar (both with and without energy attribute certificates, Guarantees of Origin, and Renewable Energy Certificates). In FY19, 23,611 MWh of solar electricity was obtained through Power Purchase Agreements, however, these initiatives have not impacted our reported scope 2 emissions which are based on average grid emissions. As noted previously, we determined the difference between Location- and Market-based Scope 2 emissions is de minimis at the present time and therefore are reporting the same value for both metrics in FY19. Therefore, we reported 0 under "MWh consumed associated with low-carbon electricity, heat, steam, and cooling".

C-TS8.5

(C-TS8.5) Provide any efficiency metrics that are appropriate for your organization's transport products and/or services.

Activity

Heavy Duty Vehicles (HDV)

Metric figure

0.297

Metric numerator

Liters of fuel

Metric denominator

Other, please specify (Miles driven)

Metric numerator: Unit total

291683121

Metric denominator: Unit total

981147528

% change from last year

1

Please explain

HDV energy efficiency metric reported in this question is based on vehicle data from FedEx Express operating company. The .899% change from last year was calculated using the following FY18 figures: 280,240,190 liters of fuel and 934,177,630 miles driven. Dividing 280,240,190 liters of fuel by 934,177,63 miles driven is 0.2999 liters per mile driven.

Activity

Aviation

Metric figure

0.206

Metric numerator

Liters of fuel

Metric denominator

Other, please specify (Available ton mile)

Metric numerator: Unit total

4560338921

Metric denominator: Unit total

22149421604

% change from last year

0

Please explain

Aviation energy efficiency metric is based on data from FedEx Express which is the operating company responsible for our aviation fleet and air operations. The percentage change metric -0.386% is calculated using the following FY18 figures: 4,465,116,077 liters of fuel used and 21,288,319,239 available ton miles. Dividing 4,465,116,077 liters of fuel by 21,288,319,239 available ton miles is 0.2097 liters of fuel per available ton mile.

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Please select

Metric value

Metric numerator

Metric denominator (intensity metric only)

% change from previous year

Direction of change

<Not Applicable>

Please explain

C-TO9.3/C-TS9.3

(C-TO9.3/C-TS9.3) Provide tracking metrics for the implementation of low-carbon transport technology over the reporting year.

Activity

Heavy Duty Vehicles (HDV)

Metric

Fleet adoption

Technology

Battery electric vehicle (BEV)

Metric figure

390

Metric unit

Units

Explanation

Across FedEx, 390 electric vehicles were added to the global fleet in FY19 when including forklifts, airport ground service equipment, and delivery trucks for a total global fleet of more than 2,944 electric vehicles. FedEx Express will also be introducing 1000 Chanje v8100 battery electric vehicles into its fleet through 2020. Each vehicle is expected to provide estimated annual fuel savings of 2000 gallons per year and can travel more than 150 miles when fully charged. Outside the US, FedEx Express is testing electric vehicles in China and Europe.

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	Yes	Climate related risks and opportunities have influenced our "Investment in R&D" of low-carbon products and services related to our sector. An example of an investment in R&D influenced by climate related risks and opportunities include the creation of the FedEx On Demand Bot in collaboration with DEKA Development and Research Corp. The FedEx On Demand Bot, has 100 pounds of payload capacity and the ability to navigate rough terrain, including hills and small flights of stairs. Roxo uses cameras and sensors to detect surroundings and navigate safely, efficiently, and in compliance with road rules, whether operating on a road, bike lane, or sidewalk. The all-electric Bot consumes no fossil fuel and produces no localized emissions. We also consider the collaboration we undertake with our aircraft and vehicle suppliers through the "Revolutionize" component of our sustainability strategy as our "Investments in R&D", even though the R&D investments are undertaken by those suppliers. Examples here include the development, field-testing and adoption of alternative-fuel and advanced technologies in both our aviation and vehicle fleets, which we believe will play a critical part in reducing global GHG emissions in the transportation sector. The impact of our investment in alternative jet fuels is in support of our goal to obtain 30 percent of jet fuel from alternative fuels by 2030. These initiatives are all part of our "Revolutionize" approach to sustainability.

C-TO9.6a/C-TS9.6a

(C-TO9.6a/C-TS9.6a) Provide details of your organization's investments in low-carbon R&D for transport-related activities over the last three years.

Activity

Aviation

Technology area

Alternative fuels

Stage of development in the reporting year

Small scale commercial deployment

Average % of total R&D investment over the last 3 years

0%

R&D investment figure in the reporting year (optional)

Comment

In 2019, industry progress to aviation biofuels reached a milestone when Red Rock Biofuels, which will supply low-carbon, renewable jet fuel to FedEx Express, began constructing a biodiesel refinery in Lakeview, Oregon. The first delivery of alternative jet fuel is anticipated in the second half of 2020. The biofuel, which will be used in our Bay Area, California operations, will be produced using woody biomass from the logging industry, which is normally a waste product. This means that in addition to producing fewer emissions, the alternative jet fuel will also keep waste from being incinerated or landfilled. We entered 0 in the "Average % of total R&D investment over the last 3 years" column to satisfy CDP's disclosure requirement, as FedEx does not disclose this information for competitive reasons.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	No third-party verification or assurance

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

FedEx_FY2019_Cventure Final Verification Statement_041020.pdf

Page/ section reference

1

Relevant standard

Corporate GHG verification guidelines from ERT

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

FedEx_FY2019_Cventure Final Verification Statement_041020.pdf

Page/ section reference

1

Relevant standard

Corporate GHG verification guidelines from ERT

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C11. Carbon pricing	Other, please specify (Carbon credit purchase)	VCS (Verified Carbon Standard) and Gold Standard	We have established an internal process to monitor our annual ETS emissions and participate in voluntary offsetting. We purchase carbon offset credits that are verified through Verified Carbon Standard (VCS) and Gold Standard.

Disclosure module verification relates to	Data verified	Verification standard	Please explain
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C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

EU ETS

C11.1b

(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.

EU ETS

% of Scope 1 emissions covered by the ETS

1.29

% of Scope 2 emissions covered by the ETS

0

Period start date

January 1 2019

Period end date

December 31 2019

Allowances allocated

81244

Allowances purchased

116974

Verified Scope 1 emissions in metric tons CO₂e

198081

Verified Scope 2 emissions in metric tons CO₂e

0

Details of ownership

Other, please specify

Comment

The CO₂ emissions data discussed here refers only to FedEx-operated aircraft within the EU (i.e. intra-EU).

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

FedEx has implemented a multi-faceted strategy to reduce the impact of our aviation emissions. Tactics include an extensive investment strategy to upgrade to newer, more fuel efficient aircraft, operational controls and comprehensive fuel use tracking system to employ the most efficient procedures and collaboration with agencies to improve flight procedures and support air traffic modernization. This is supplemented by FedEx participation in initiatives to bring additional sustainable aviation fuel to market and pursue opportunities to advance FedEx use of alternative fuel. These voluntary efforts support FedEx progress towards its aviation-specific emissions reduction target. Additionally, FedEx fully complies with applicable systems. For example, in accordance with the inclusion of aviation in the obligations of the intra-EU/European Economic Area (EEA) scope of the EU ETS, FedEx monitors fuel usage and emissions for applicable flights. Each year, relevant data has been 3rd party verified to demonstrate continued compliance. As required, our compliance efforts include purchasing and surrendering allowances, when necessary.

FedEx also implemented an emissions monitoring plan to meet the requirements of the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) program developed by the International Civil Aviation Organization (ICAO), a specialized agency of the United Nations. Like a number of U.S. airlines, FedEx actively supported our industry association in helping FAA implement CORSIA. In light of CORSIA's objective to complement technology, operations, infrastructure and sustainable aviation fuel efforts and assist global airlines in meeting the goal of carbon-neutral growth after 2020, FedEx submitted its first monitoring report and is preparing for the carbon offsetting obligations of CORSIA.

FedEx recognizes the EU ETS, CORSIA and other carbon related regional or local taxes & fees as both opportunities and liabilities given our global growth plans. FedEx will continue to deploy methods to continually improve our fleet efficiencies, make advances in our operations and use of technology as well as support global aviation infrastructure improvements to mitigate any potentially adverse impacts.

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.

Credit origination or credit purchase

Credit purchase

Project type

Wind

Project identification

Ege Wind Farm Project in Aegean Region, İzmir Province, Kemalpaşa District in Turkey

Verified to which standard

Gold Standard

Number of credits (metric tonnes CO2e)

4466

Number of credits (metric tonnes CO2e): Risk adjusted volume

4466

Credits cancelled

No

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Wind

Project identification

Geres Wind Power Project in Kırkağaç, city of Manisa, Turkey

Verified to which standard

Gold Standard

Number of credits (metric tonnes CO2e)

17034

Number of credits (metric tonnes CO2e): Risk adjusted volume

17034

Credits cancelled

No

Purpose, e.g. compliance

Voluntary Offsetting

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

100

% total procurement spend (direct and indirect)

50

% of supplier-related Scope 3 emissions as reported in C6.5

0

Rationale for the coverage of your engagement

All of our key suppliers are asked questions involving environmental sustainability using our supplier scorecard. Our supplier scorecard metrics contain environmental sustainability questions (which cover a variety of sustainability issues including climate change) that evaluate our suppliers' performance.

Impact of engagement, including measures of success

Measures of success includes increased engagement and conversations between product managers and key suppliers and the growing coverage of our engagement. We have increased our percentage of suppliers engaged year over year to reach all of our key suppliers in FY19. As a result of our engagement, we have an increased of understanding how our suppliers impact our value chain. In addition to our supplier scorecards, as a part of our engagement efforts we have included sustainability related language in 99.6% of our key supplier contracts as of FY19 and 86% of potential and current sourcing managed suppliers were screen with sustainability related questions in our requests for qualifications and proposals. This is an 8% increase over FY18.

Comment

We entered 0 in the "% Scope 3 emissions as reported in C6.5" column to satisfy CDP's disclosure requirement. We did not report any Scope 3 emissions data in the "Purchased goods and services" row in C6.5. Given the variety of goods and services that we purchase for our business and the complexity associated with estimating the embedded carbon for those items, we have not had the opportunity to estimate these emissions yet.

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Education/information sharing

Details of engagement

Run an engagement campaign to education customers about your climate change performance and strategy

% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

0

Portfolio coverage (total or outstanding)

<Not Applicable>

Please explain the rationale for selecting this group of customers and scope of engagement

We entered 0 in the "% Scope 3 emissions as reported in C6.5" column to satisfy CDP's disclosure requirement. Our main services - delivering customers' packages and freight - do not result in any significant emissions by our customers, and therefore we did not report any Scope 3 emissions related to our customers' use of our products/services in that question. We engage with 100% of our customers in order to understand and incorporate climate-related values that our customers find into our sustainability program. The Scope of this engagement includes, but is not limited to, through the annual Global Citizenship Report and our sustainability.fedex.com website. We also inform customers of our overall sustainability strategy guided by our "Reduce, Replace, Revolutionize" approach and our efforts to reduce our carbon emissions. The report documents our progress against our goals including aircraft emissions intensity, vehicle fuel efficiency, alternative fuel, renewable energy, and LEED certified facilities goal. The scope of this engagement includes all customers of FedEx Express, FedEx Ground, FedEx Freight and FedEx Services as corporate social responsibility is at the heart of our business and as such we aim to engage with all of our customers on how we embed these considerations into our business. In addition to the information we provide our customers in the Global Citizenship Report and website, we also provide customized Customer Emission Calculator (CEC) reports to specific customers that request for this information. The scope for the CEC reports is customers of FedEx Express, FedEx Ground and FedEx Freight who use the tool. We inform customers of the carbon footprint resulting from our logistics services through the FedEx CEC tool, which can estimate our enterprise customers' Scope 3 carbon emissions by taking FedEx-specific package routing, facilities, aircraft fleet, and surface vehicles and applying industry standard CO2 fuel burn factors. As a result, customers are empowered with the knowledge necessary to decrease their shipping-related emissions and to pay for associated carbon offsets through their preferred organizations.

Impact of engagement, including measures of success

Customers wish to do business with companies that share their values and demonstrate good practice in managing environmental and social impacts. We can see that our efforts with our customers have been paying off as our reputation with large enterprise customers is increasingly impacted by our corporate citizenship performance, as the impact of these engagements has allowed FedEx to deploy additional sustainability services such as those provided by the FedEx Packaging Lab. The FedEx Packaging Lab allows FedEx to marry our knowledge of environmentally preferable packaging materials and operational efficiencies based on dimensional weight to reduce the overall footprint of our customers. The Packaging Lab works with customers to evaluate their packaging and provide recommendations on opportunities for customers to improve on their existing packaging. Learnings from customer packaging issues are then applied to the next customer problem. FedEx also actively benchmarks with large, like-minded corporations to leverage information and make informed decisions around sustainable investments, such as fleet, alternative fuels and renewable energy. The fact that these companies seek out FedEx to partner with is a testament to our CSR performance and provides us with opportunities to pilot new programs to reduce the environmental footprint of both of our organizations. Success of this engagement is met when FedEx sees a year over year increase in customers requesting for their carbon emissions data, and an increase in downloads/views of our CSR information. Success of this engagement was achieved, as the impact of the engagement in FY19, when we provided CEC reports to over 7,679 customer accounts. This is an 52% increase from FY18, when we provided CEC reports to 5,046 customer accounts. We also saw success where we saw a 13.6% increase in users visiting the FedEx sustainability website and Global Citizenship Report from 2018 to 2019. This is based off user data from 11 months following the publication of the FedEx Global Citizenship Report (May 2018- April 2019 compared with user date from April 2019-March 2020). We see this as a success of engagement.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

An example of climate-related engagement strategy is FedEx's global retail service network with key partners such as Albertsons, Kroger, Mondial Relay, Walgreens, Walmart and 7-Eleven. We work with these partners to provide additional access to our services while reducing the emissions from the "last mile driven". Streamlining our last-mile delivery capabilities improves environmental efficiency. Just eliminating the "last mile driven" - the difference between delivering packages to multiple addresses compared to a central location- could help us avoid emissions by an estimated 18,000 metric tons of CO2e emissions each year. This is equivalent to the emissions generated by more than 3,800 passenger cars driven for a year.

In 2019, we continued to expand our global retail service network joining forces with Dollar General to provide more shopper convenience, especially in rural communities where retailers might not have physical stores and last mile home delivery carries greater vehicle related environmental impacts. By the end of 2020, consumers will have easy access to FedEx dropoff and pickup services at more than 8,000 Dollar General stores across the U.S., with plans to extend the program in the future. In 2018, we added more than 5,000 stores and 70 self-service locker locations were added to 7-Eleven stores across Hong Kong and Taiwan. These alliances have enabled FedEx to expand our network, soon to provide more than 94,000 convenient sites around the world for customers to pick up or drop off packages.

Our global retail service network continues to expand, strengthening our customer connections, and leveraging our collaborations. These initiatives also ensure FedEx and its partners maintain strong channels for engagement and have led to additional opportunities for collaboration around sustainability, last mile, and e-commerce solutions.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

- Direct engagement with policy makers
- Trade associations
- Funding research organizations
- Other

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Other, please specify (Reduced GHG emissions and increased fuel efficiency) <i>Reduced GHG emissions and increased fuel efficiency</i>	Support	From 2007 through 2018, we successfully advocated for legislation and regulation on the US EPA's Phase 2 fuel efficiency and greenhouse gas standards. The standards incentivize the production of clean technology vehicles such as hybrid- electric, all-electric, alternative fuel, fuel cell, and other advanced technology vehicles needed by FedEx. FedEx has been actively involved through the EPA's stakeholder engagement process and provided comments to the proposed GHG Emissions and Fuel Efficiency Standards for Medium and Heavy Duty Engines and Vehicles —Phase 2 regulation. We believe this presents an opportunity to further improve fuel efficiencies and lower GHG emissions from the national fleet using a comprehensive and harmonized approach.	EPA finalized the Phase 2 Heavy-duty vehicle fuel efficiency and greenhouse gas standards, which will reduce GHGs from commercial vehicles through 2027.
Other, please specify (Reduced GHG emissions and increased fuel efficiency) <i>Reduced GHG emissions and increased fuel efficiency</i>	Support	FedEx Freight, FedEx Express, FedEx Ground and FedEx Custom Critical are longstanding members of the EPA SmartWay Transport Partnership, which incentivizes carriers and shippers to improve environmental performance, operational efficiency and supply-chain sustainability. Other members include alternative fuel manufacturers and suppliers whose resources we can use to inform ourselves and our independent contractors about vehicle, fuel and grant options.	There has not been a legislative outcome from this engagement. However, the program continues.
Other, please specify (Reduced GHG emissions and increased fuel efficiency) <i>Reduced GHG emissions and increased fuel efficiency</i>	Support	In collaboration with the American Trucking Associations, we are also advocating with U.S. legislators to allow larger 33-foot trailers in a twin-configuration to reduce the number of trucks on the road. We estimate that extending twin 28-foot trailers to 33 feet would increase freight capacity by 18 percent while reducing truck trips by 6.6 million a year and truck traffic by 1.3 billion miles per year. This in turn would prevent an estimated 900 accidents a year while reducing annual carbon emissions by 4.4 billion pounds.	There has not been a legislative outcome from this engagement to date. However, we are actively working to bring this legislation to fruition.

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

Airlines for America

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

FedEx Express is an active member of Airlines for America (A4A), the principal U.S. airline trade association. A4A advocates for a "global sectoral approach" for aviation GHG emissions and sets aggressive measures and emissions targets. Under this approach, the framework for both international and domestic aviation emissions would be established internationally. All airline emissions would be subject to emissions targets requiring industry and governments to: • Annual average fuel-efficiency improvement of 1.5% through 2020 • Carbon-neutral growth from 2020 (CNG2020), subject to critical government infrastructure and technology investments such as air traffic control modernization • Goal of 50% reduction in CO2 by 2050 relative to 2005 levels The International Civil Aviation Organization (ICAO), the United Nations body charged with setting standards for international aviation, has adopted much of the U.S. airline industry's framework. In FY16, the ICAO began the approval process for new global aircraft CO2 emissions standards focused on large aircraft weighing over 60MT, which account for >90% of international aviation emissions. In 2016, ICAO passed a resolution adopting the Carbon Offsetting and Reduction Scheme for International Aviation ("CORSIA"), which is a global, market-based measure intended to aid in meeting the ICAO goal of carbon-neutral growth beyond 2020 by complementing industry efforts in technology, operations, infrastructure and sustainable aviation fuels. CORSIA was supported by IATA (International Air Transport Association) and the board of A4A with active efforts by FedEx and other airlines. In June 2018, ICAO adopted country-by-country implementation standards including the reporting of information on international aviation emissions beginning in 2019. In March 2019, the FAA issued a notice of a CORSIA program permitting U.S. carriers to submit emissions data on a voluntary basis. After receiving approval from FAA, FedEx began monitoring emissions for this program. CORSIA is expected to be implemented in phases by ICAO member States in lieu of other similar measures to avoid a patchwork of country or region based regulatory measures with costly, inconsistent application to international aviation.

How have you influenced, or are you attempting to influence their position?

FedEx actively participates in the relevant committees of A4A. We are proactively working on the efforts to reduce GHGs from aviation at both the national A4A and International Air Transport Association. Through our participation in A4A, FedEx supported the development of a CO2 emissions standard, the ICAO Committee on Aviation Environmental Protection's recommended standard, and its anticipated adoption by the U.S. EPA into national law.

Trade association

American Trucking Associations

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

FedEx is also an active member of the American Trucking Associations (ATA), whose mission is to serve and represent the U.S. trucking industry with a single, united voice to influence policies beneficial to the industry; promote safety on America's highways; improve the industry's image, efficiency, and competitiveness; educate the public about the critical role trucking plays in the economy; research significant industry issues all while striving for a healthy business environment. ATA advocates for science-based laws and regulations to maintain and protect the environment, and to the greatest extent possible, ensure uniformity across all levels of government. In particular, the ATA is committed to a series of measures designed to further reduce the carbon emissions of trucks in the United States, and outlined in a 2008 report named "Strategies for Further Reduction of the Trucking Industry's Carbon Footprint":

- Enacting a national 65 mph speed limit and governing truck speeds to 65 mph for trucks manufactured after 1992.
- Decreasing idling.
- Increasing fuel efficiency.
- Reducing congestion through highway improvements, if necessary by raising the fuels tax.
- Promoting the use of more productive truck combinations.
- Supporting national fuel economy standards for medium- and heavy-duty trucks.

How have you influenced, or are you attempting to influence their position?

We actively advocated for the ATA to support our push for commercial-vehicle fuel-economy legislation, which was enacted in the Energy Independence & Security Act of 2007. We also actively advocated for the ATA to support both Phase 1 and Phase 2 of the Heavy Duty fuel efficiencies and greenhouse gas standards that have been approved by EPA. In collaboration with the American Trucking Associations, we are also advocating with U.S. legislators to allow larger 33-foot trailers in a twin-configuration to reduce the number of trucks on the road. We estimate that extending twin 28-foot trailers to 33 feet would increase freight capacity by 18 percent while reducing truck trips by 6.6 million a year and truck traffic by 1.3 billion miles per year. This in turn would prevent an estimated 900 accidents a year while reducing annual carbon emissions by 4.4 billion pounds. We also actively participate in ATA's Environment and Energy Policy Committee, and on its Board of Directors.

Trade association

Securing America's Future Energy (SAFE)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Our Chairman and CEO, Frederick W. Smith, serves as co-chair of Securing America's Future Energy (SAFE) Energy Security Leadership Council, Through SAFE's Energy Security Leadership Council (ESLC), we've worked with business and military leaders to support a comprehensive, long-term policy to reduce U.S. oil dependence and improve energy security.

How have you influenced, or are you attempting to influence their position?

Through his role as co-chair of SAFE's ESLC, Mr. Smith has actively called for reduced energy consumption and increased efficiency, increasing alternative fuel vehicles, and increasing energy security by diversifying the U.S. transportation network away from an over-reliance on imported oil.

Trade association

Electrification Coalition

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Our Chairman and CEO, Frederick W. Smith, also serves on the Electrification Coalition, a nonpartisan, not-for-profit group of business leaders committed to promoting policies and actions that facilitate the deployment of electric vehicles on a mass scale. The Coalition's position is that oil dependence threatens the nation's economic, environmental, and national security, and that the only long-term solution is electrification of transportation. Advances in battery technology for the first time truly make possible an electrified transportation sector that is powered by a wide variety of domestic sources: natural gas, nuclear, coal, hydroelectric, wind, solar, and geothermal. The electrical generation system in the U.S. uses virtually no oil. Moreover, because an electrified transportation system is one that has the benefits of relying on a diverse set of fuels, no one fuel source—or producer—would be able to hold our transportation system and our economy hostage the way a single nation can disrupt the flow of petroleum today. Electricity prices are far more stable than oil prices, there is substantial spare generation capacity, and the backbone of the infrastructure already largely exists. No other alternative has all of these advantages.

How have you influenced, or are you attempting to influence their position?

Mr. Smith has actively advocated for transportation electrification through the Electrification Coalition by championing the development of the Coalition's Fleet Electrification Roadmap, a comprehensive analysis of the business case for electric-drive technology adoption among the more than 16 million commercial, corporate, and government fleet vehicles in the United States, in November 2009. Mr. Smith has also represented the Coalition's position on Capitol Hill and during a CNBC TV interview in June 2010.

C12.3d

(C12.3d) Do you publicly disclose a list of all research organizations that you fund?

No

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

Around the world, FedEx is working with communities to help them grow responsibly by drawing on our expertise in transportation and logistics, as well as forging long-term alliances with organizations that design cities for a better future. Working with the World Resources Institute's Ross Center for Sustainable Cities (WRI Ross Center) through grant funding, knowledge sharing, research and assessment, pilot projects and skills-based volunteering, FedEx is supporting sustainable, safe and innovative transportation solutions for 36 cities in four countries – Brazil, India, China, and Mexico. Since 2010, more than 4.9 million people have benefited from FedEx support of EMBARQ programs focused on sustainable transportation.

Brazil: Belo Horizonte, a state capital with 2.5 million residents, has set ambitious targets for adopting electric buses, thanks to the Vehicles and Fuels Fleet Selection Tool, which was developed with support from FedEx. The city will transition 40 percent of its fleet from diesel to electric by 2030.

India: Using FedEx routing expertise, Bangalore has reduced daily passenger wait and travel times by two hours in the largest bus network in India, which serves 150,000 passengers a day. Research and assistance helped the city set emissions targets and secure funding for 150 electric buses.

China: In Zhuzhou, a planned 23 km bus rapid transit (BRT) system will reduce travel time by 50 percent and serve more than 70 percent of the city's transit users. In a broader initiative, FedEx is supporting guidelines to help Chinese cities maintain electric fleets throughout their life cycle.

Mexico: Building on previous contributions by FedEx safety experts toward training for Mexico City's bus drivers, efforts have begun to establish a baseline for bus traffic incidents and measure the impact of safety training. WRI Ross Center is also adapting the FedEx Vehicles and Fuels Bus Selection Tool to support improved vehicle technology in Mexican cities.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

FedEx actively participates in the political process with the ultimate goal of promoting and protecting the economic future of the company and our stockholders and employees. Through our participation and that of our employees, we ethically and constructively promote legislative and regulatory actions that further the business objectives of FedEx, including our sustainability objectives, and are related to issues with which we have involvement, possible impact and expertise.

We use an Environmental Management System (EMS) that is based on key elements of the international standard ISO 14001. Each FedEx operating company identifies and works to reduce relevant environmental impacts, under the direction of a senior sustainability leader accountable for performance. Additionally, enterprise-wide Sustainability Impact Teams (SITs) covering global Vehicles, Facilities, Air Operations, Customer Solutions, IT, EarthSmart, Data/Reporting and Sourcing allow our operating companies to share synergies, ideas and innovations. The SITs and operating companies' senior sustainability leaders report to our chief sustainability officer, the Vice President of Environmental Affairs and Sustainability.

In addition, when potential environmental regulations are being considered, our Government Affairs department consults with the relevant internal departments at FedEx and through the chief sustainability officer and Sustainability Impact Teams (SITs) governance structure described above, to ensure that our public policy efforts are consistent with our relevant policies and strategies.

For example, discussions concerning any possible impacts to the Phase 2 Fuel Efficiency and Greenhouse Gas regulation for all U.S. commercial vehicles were recently vetted with the chief sustainability officer to ensure consistency with our past advocacy and support of said greenhouse gas regulation.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

FedEx 2019 SEC 10K.pdf

Page/Section reference

7: The Environment 18- 20: Regulation and Environmental 85-95: Risk Factors 92: Climate Change, Legal, Regulatory, or Market Response 93: Resiliency

Content elements

Governance
Strategy
Risks & opportunities

Comment

Publication

In voluntary sustainability report

Status

Complete

Attach the document

FedEx_2020_Global_Citizenship_Report.pdf

Page/Section reference

4: CSR Strategy 7: What We Achieved in FY19 12: Material – Focusing on What Matters Most 17: CSR Advocacy 21: Business Preparedness, Resiliency, and Disaster Response 22: CSR Goals and Progress 60: Environment – Multiplying Efficiencies 76: Data Appendix

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

Publication

In voluntary communications

Status

Complete

Attach the document

FedEx_2020 GCR Brochure_Digital Version_Final.pdf

Page/Section reference

Multiplying Opportunities Multiplying Growth Multiplying Potential Multiplying Efficiencies CSR Goals and progress What We Achieved in FY19

Content elements

Strategy
Other metrics

Comment

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Sustainability Officer	Chief Sustainability Officer (CSO)