



2024

Global Economic Impact Report



Creating prosperity by connecting the world

FedEx has been transforming transportation and logistics services for more than 50 years, advancing our purpose to connect people and possibilities around the world as a result. From pioneering overnight delivery to inventing package tracking to expanding international trade — innovation is in our DNA, which has empowered us to continue pushing boundaries to make supply chains smarter for everyone. These efforts enable the success of our customers, build prosperity in the communities where we operate, and accelerate the flow of goods and ideas that generate economic growth across countries and regions. We call this impact the FedEx Effect.

This report quantifies the FedEx Effect by showing the value of the company's economic contributions around the world. For the fourth consecutive year, we have measured a range of factors, including the impact of our company's revenues, capital expenditures, and spending on wages, as well as the ripple effects generated by our core services. To reflect the scale of our operations, we have calculated the impact that FedEx makes on the global

economy as a whole, as well as on the economies of the United States and our major operating regions.

Today, FedEx connects the vast majority of the world's gross domestic product. As a result of this reach, FedEx contributed more than \$85 billion in direct economic impact to the global economy in fiscal year (FY) 2024.¹ In addition to this direct impact, FedEx spending to maintain its operations and its business services stimulates economic activity at other companies across the global economy — which is considered the company's indirect impact. In FY 2024, FedEx indirectly contributed an additional \$39 billion in net economic output² around the world. In the global Transportation, Storage, and Communications sector,³ the company's indirect impact was the largest contribution totaling an estimated \$20.4 billion.

The extensive FedEx supply chain multiplies this impact. In calendar year (CY)⁴ 2023, FedEx contracted with approximately 100,000 suppliers, 90% of which are small businesses.⁵ FedEx spending with these suppliers drives further economic growth and supports local job creation.

Our global reach also gives FedEx a unique opportunity to make positive contributions to the world beyond the impact of our business activities. FedEx is committed to supporting the communities where we live, work, and serve through FedEx Cares, which provides charitable donations in the form of direct financial support, employee volunteering, and in-kind shipping services. FedEx is also investing in sustainable

technologies such as electric vehicles (EVs) and renewable power to reduce the environmental impact of our operations, while contributing to the research and development of the next generation of sustainable breakthroughs, such as carbon capture.

While this report highlights the impact of our operations during FY 2024, FedEx remains committed to the spirit of innovation and progress on which our company was founded. We recently consolidated our major operating companies into Federal Express Corporation — becoming a single company operating a unified, fully integrated air-ground express network under the respected FedEx brand. The change will allow us to become a more flexible, efficient, and intelligent network to better serve our customers. We are also combining the data and insights from the 16 million packages we deliver per day globally with artificial intelligence (AI) and machine learning to create new digital tools and solutions that are helping us run and change our business, digitize our customers' supply chains, and move up the value chain in e-commerce.

We believe that operating as one FedEx team is another milestone in our company's history of bringing the world closer together. By continuing to foster connections between people and possibilities everywhere in the world, we can multiply our economic impact for years to come.

Raj Subramaniam
President & CEO
FedEx Corporation

¹Fiscal year (FY) 2024 is defined as June 1, 2023–May 31, 2024.

²Net economic output is defined as the difference between the value of total or gross output and the cost of inputs such as energy, raw materials, and services. Also known as value added.

³As defined by the United Nations Conference on Trade and Development (UNCTAD).

⁴Calendar year (CY) is defined as January 1–December 31.

⁵All supply chain data is for calendar year 2023.



Building the future of FedEx

FY 2024 was another pivotal year in the evolution of FedEx.

After celebrating the company's 50th anniversary in FY 2023, FedEx continued advancing its efforts to build a stronger foundation for the next 50 years and beyond.

FedEx already operates one of the world's largest transportation networks, connecting more than 220 countries and territories. This extensive footprint facilitates domestic and international trade that drives economic activity, provides quality jobs for roughly half a million people, and supports approximately 100,000 businesses that make up the FedEx global supply chain. Now, the company is

pursuing an optimization plan that will help enhance connectivity around the world and improve delivery for time-sensitive shipments. This includes the company's transition to one FedEx, as well as its multi-year Network 2.0 initiative, designed to simplify the customer experience and streamline how FedEx picks up, transports, and delivers packages.

In addition to optimizing its physical network, FedEx is transforming its digital capabilities through advanced AI and robotics technologies that will streamline operations, help employees work more safely and efficiently, and make supply chains and shipping options smarter and more efficient for customers. For example, in FY 2024 FedEx announced fdx, a data-driven

e-commerce platform to help businesses of all sizes manage the end-to-end customer journey. The platform's data-driven insights are designed to help businesses increase customer demand and conversion rates, optimize fulfillment through near real-time shipping data, improve supply chain sustainability with carbon emissions data, and streamline product returns.

Combining these advanced physical and digital networks will help FedEx better serve its customers — particularly the small- and mid-sized businesses that drive the global economy. In doing so, FedEx expects to increase the company's worldwide economic impact, which is already substantial.

To quantify this impact, FedEx engaged

Dun & Bradstreet to analyze FedEx contributions to the global economy as a whole and to five geographic regions: The United States; the Americas (Canada and Latin America/Caribbean (LAC)); Europe; Asia Pacific (APAC); and the Middle East, Indian Subcontinent, and Africa (MEISA). In the sections that follow, this report provides detailed information regarding the impact that FedEx has on net economic output in each region, which is driven by FedEx business services as well as the company's capital investments, employment, and spending with local suppliers. Each regional section also includes a closer look at select markets with a large FedEx presence to highlight how the global reach of the company's network translates into positive impact on local communities.

Global economic impact

The extensive FedEx network moves more than \$2 trillion worth of goods every year, providing vital shipping and logistics services that help customers connect with local, regional, and international markets. Beyond supporting multinational corporations and enabling small businesses to grow their own operations, FedEx makes significant economic contributions through its capital investments, employee wages, purchases with local suppliers, and tax payments.



Like the entire global transportation industry, FedEx faced a challenging operating environment in FY 2024.

Demand patterns for small-parcel e-commerce deliveries and larger cargo shipments continued to shift, while global supply chains continued to evolve as companies sought ways to increase efficiency and resilience. In this environment, FedEx continued making important contributions to the worldwide economy while pursuing a long-term evolution to enhance the efficiency and flexibility of its global network.

This section examines the direct and indirect impact of the company's business activities⁶ around the world in FY 2024. To provide a worldwide direct and indirect impact estimate, Dun & Bradstreet analyzed major FedEx markets, as well as neighboring markets that don't house large FedEx operations but still experience a spillover effect from business activity generated by the extensive reach of the company's network.

FEDEX BY THE NUMBERS

500,000 +
employees

~ 5,000
facilities

~ 700
aircraft

200,000+
motorized
vehicles

~ 16,000,000
Avg. daily
shipment volume



⁶ The direct impacts of FedEx on the overall value-added of a country or region for this analysis are estimated considering the annual revenue that is generated by FedEx in FY 2024. Value-added is defined as the net contribution of an industry or sector to overall output or Gross Domestic Product (GDP). Value-added is a macroeconomic measure which is commonly used for economic impact assessment calculations. Besides the direct impact of FedEx operations on national and sectoral output, the corporation also has indirect impact on industries through sectoral dependencies and backward and forward linkages. The Input-Output (I-O) Accounting annual table series published by the Bureau of Economic Analysis (BEA) for the United States and the Organization for Co-operation and Economic Development (OECD) for the global economy is used for computing this impact.



Direct impact
FedEx makes substantial contributions to global net economic output, particularly in sectors related to its core transportation and logistics services.

In FY 2024, FedEx contributions accounted for approximately 0.9%⁷ of overall net economic output in the Transportation, Storage, and Communications sector, as defined by the United Nations Conference on Trade and Development (UNCTAD). Contributions from FedEx helped that sector’s total net economic output grow to approximately \$9.8 trillion in FY 2024, a 10% increase over the previous fiscal year.

Despite challenging conditions, the global economy as a whole also grew in FY 2024. Worldwide net economic output reached an estimated \$107 trillion, up from an estimated \$103 trillion in FY 2023. Contributions from FedEx accounted for 0.08% of the total, a considerable amount for a single company. For context, the FedEx direct impact on the global economy is approximately 1.6 times greater than the impact of an average active business with more than 100,000 employees in the Dun & Bradstreet Data Cloud.⁸

This impact is possible because of the company’s advanced transportation and logistics network, which FedEx continues to optimize. With its integrated road and air hubs,

strategically located package sorting facilities, specialized services such as cold chain storage, and neighborhood shipping centers, FedEx helps businesses reach customers nearly anywhere in the world. The U.S. section of this report includes descriptions of some of these facilities to illustrate the role that each plays in FedEx operations.

In addition to these facilities, FedEx employs more than 500,000 people around the world to help ensure fast, reliable service. The range of FedEx occupations reflects the size and diversity of the company’s services, and includes pilots, truck drivers, package handlers, maintenance personnel, technology professionals, customs and logistics experts, product specialists, meteorologists, and more. Team member profiles included throughout this report offer a closer look at individuals who perform a range of these important jobs.

FedEx is committed to offering its employees high-quality jobs and career advancement opportunities. For example, FedEx offers continuous learning opportunities for front-line workers, including online and mobile learning platforms for operations employees, training programs for package handlers, driver development programs, and maintenance apprenticeships. To foster internal promotions, FedEx offers a company-wide leadership development program for high-potential officers and directors and one-on-one executive mentorship as well as coaching.

⁷ Global direct and indirect impact figures are estimated to account for spillover effects of the FedEx network in regions where the company does not have operations.
⁸ The Dun & Bradstreet Data Cloud houses more than 583M+ company records updated millions times per day. With thousands of vetted global data sources, D&B’s capacity and volume of business data provides its customers with best-in-class coverage, recency, and accurate analytics. Sources are continually monitored for changes and the Data Cloud is updated accordingly.

SUPPLY CHAIN SPENDING BY REGION



APAC
\$1.4 billion



MEISA
\$241 million



Canada
\$922 million



LAC
\$397 million

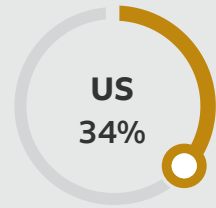
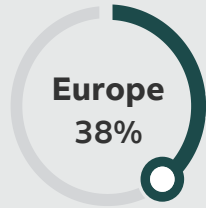
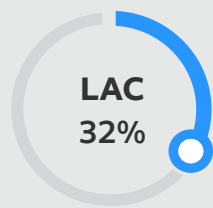
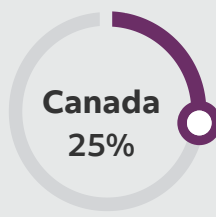
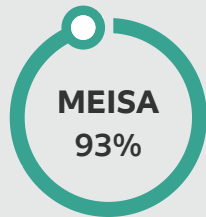
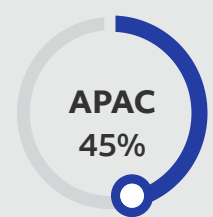


Europe
\$6.7 billion



US
\$50.7 billion

PERCENTAGE OF SUPPLY CHAIN SPENDING POWERED BY SMALL BUSINESSES



Global economic impact

Indirect impact

FedEx contributions to global net economic output create additional economic activity across its business network, which is reflected in the company's indirect impact. Because of the relationships within and across sectors of the economy, FedEx contributions such as its revenues, wages, and capital expenditures can drive production increases at other companies — both in closely related sectors such as transportation and in other areas of the economy such as manufacturing, construction, and retail.

FedEx indirect contributions to total worldwide net economic output reached an estimated \$39 billion in FY 2024, a 10% increase over the company's indirect contributions in FY 2023. Given its role as a major provider of transportation and logistics services, FedEx made the largest indirect contribution to the global Transportation, Storage, and Communications sector⁹ (an estimated \$20.4 billion). FedEx also indirectly contributed an estimated \$10.1 billion to the global Manufacturing sector.¹⁰

Impacts through the supply chain

FedEx relies on a diverse network of approximately 100,000 suppliers to maintain its global operations. These extensive relationships generate significant economic impact beyond the company's direct and indirect contributions. The purchases FedEx makes from suppliers stimulate follow-on business activity across national and local economies, including each vendor's revenues, employment, taxes, and capital investments.

To quantify this impact, Dun & Bradstreet analyzed FedEx spending with roughly 83,000 unique suppliers over CY 2023.

FedEx spent approximately \$63 billion with these global suppliers during that period, providing a source of revenue that enables supplier companies to make purchases from their own suppliers, grow their operations, and hire employees. For example, FedEx spending supported an estimated 730,000 jobs at its supplier companies in CY 2023.

Small- and medium-sized businesses (SAMs)¹¹ make up 90% of the FedEx supply chain. As a result, FedEx supplier purchases provide a significant economic contribution to the global SAM market. In CY 2023, FedEx spent an estimated \$21 billion with SAM suppliers around the world, and those purchases supported approximately 400,000 small business jobs.

FedEx supports small businesses through its supplier purchasing and is committed to sourcing from diverse businesses that are competitive in quality, service, and cost. For example, FedEx spent \$18.6 billion with small and diverse suppliers in the U.S. during CY 2023.

To support the development of diverse suppliers, FedEx provides alliance sponsorships, engages with industry associations, and provides equitable market access opportunities. FedEx also supports programs across the globe to help small and diverse businesses meet specific needs, such as training, mentoring, networking, and helping small businesses access capital.

⁹ As defined by UNCTAD.

¹⁰ As defined by UNCTAD.

¹¹ SAM businesses outside the United States defined as companies with 100 employees or fewer. For U.S.-based companies, SAM businesses defined according to the U.S. Small Business Administration's size standards for each North American Industry Classification System (NAICS) code.



Impacts through the extended supply chain

The impact of FedEx spending multiplies down the supply chain. To fulfill demand from FedEx, the company's direct suppliers often purchase materials, components, or services from their own vendors (known as tier two suppliers), and those tier two suppliers make purchases with their own vendors (known as tier three suppliers).

For example, FedEx purchases vehicles for its surface transportation operations through its fleet management provider, Holman, who then organizes the purchases directly through a manufacturer like General Motors (GM). To support the production of the final vehicle, GM will purchase components from many different suppliers, including major tire manufacturers like Bridgestone. In this way, the purchase of one vehicle by FedEx supports many tiers of suppliers, from the fleet management company to the automotive dealers, to the vehicle manufacturers, and ultimately the hundreds of suppliers that provide manufactured components in the vehicle production process.

Enabling mission-critical trade for customers

Trade drives the growth of the global economy. It creates jobs, lifts incomes, and enhances living standards by providing expansion opportunities for businesses of all sizes. FedEx is a trade business, and periodically engages with its customers' business leaders to track the impact of international trade on their operations and to shape the services that help simplify the movement of goods and services worldwide.

According to a recent survey conducted by Morning Consult,¹² commissioned by FedEx, there is nearly universal support among U.S. business decision makers for global trade. Virtually all agree that global trade stimulates economic growth (91%), creates jobs and opportunities (90%), and fosters innovation (88%). The majority of U.S. businesses say that connecting with international markets is mission critical, with 96% of large U.S. businesses and 97% of businesses that import/export agreeing that international connectivity is important to their success.

Conversely, FedEx customers say that trade restrictions greatly impact their business. Morning Consult's 2024 trade data found that an overwhelming majority of U.S. businesses (84%) have been at least minimally impacted by tariffs, trade restrictions, or ongoing trade tensions. This impact is mostly felt in an increase in the cost of raw materials (57%), shifts in suppliers due to uncertainty of supply (37%), economic uncertainty from investment delays and currency exchange fluctuations (37%), and lost sales due to uncertainty of supply (35%).

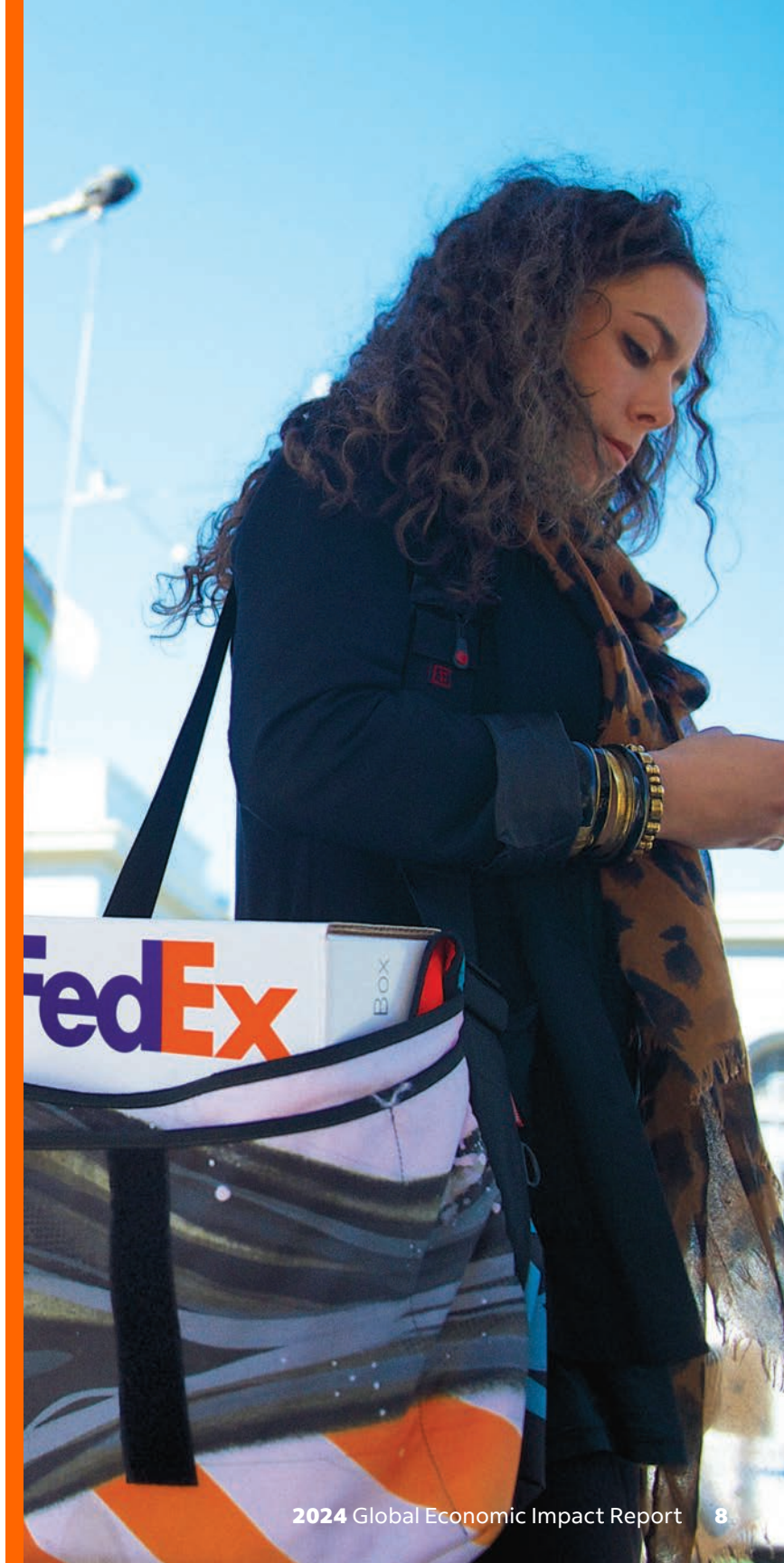
As e-commerce reshapes global trade, the impact of trade restrictions on U.S. small- and medium-sized businesses will be even greater. Consider *de minimis*, a trade policy that allows goods of minimal value to be imported duty-free. A change to this policy in the U.S. would harm small- and medium-sized businesses and consumers, creating impacts that would extend across borders throughout the global e-commerce community.

FedEx remains committed to fostering greater global connections because international trade is essential to its customers. By moving millions of packages each day, the company has gained deep knowledge of trade lanes, laws, industries, shippers, and consumers. Those insights help FedEx pursue its goal of making supply chains smarter and more efficient for all. At the same time, the company is leveraging that knowledge on behalf of its customers of all sizes to address trade barriers — especially non-tariff barriers, such as data flow restrictions, local content requirements, and outdated customs regulations.



FedEx will continue to champion the benefits of global connectivity for consumer choice, economic growth, opportunities for individual companies and their workers, and improved quality of life.

¹² This poll was conducted between August 6-20, 2024 among a sample of 612 Business Shippers in the United States. The interviews were conducted online and the data were left unweighted. Results from the full survey have a margin of error of +/-4 percentage points.



Spotlight: The United States



The U.S. economy faced macroeconomic headwinds in FY 2024, with moderating inflation, continued job growth, and low unemployment helping boost overall U.S. GDP.

Trade between the U.S. and other countries also showed signs of recovery in the second half of FY 2024,¹³ as U.S. businesses continued looking to new markets for both supply chain partners and end customers. For example, U.S. imports from Mexico increased nearly 5% in CY 2023, reaching a total of \$475.6 billion.¹⁴

FedEx operations in the U.S. are uniquely positioned to help customers adapt to changing economic conditions and shifting trade patterns. The company operates two major air hubs in Memphis and Indianapolis that provide capacity for domestic and international air shipments, as well as dedicated international air gateways in Alaska and Miami to facilitate trade between the U.S. and APAC and LAC regions, respectively. FedEx Freight is a leading provider of less-than-truckload (LTL) services — an economical option for U.S. businesses needing to ship cargo that won't fill an entire trailer — while the extensive FedEx road network connects thousands of facilities to enable deliveries to 100% of U.S. residences and businesses.



¹³ <https://unctad.org/system/files/official-document/ditcinf2024d2.pdf>

¹⁴ <https://www.bea.gov/news/2024/us-international-trade-goods-and-services-december-and-annual-2023>



Spotlight: The United States

Across this network, FedEx helps ensure that the company’s services and its economic impact extend to communities across the nation. FedEx employed approximately 370,000 people¹⁵ in the U.S. in FY 2024 and contracted with nearly 6,000 independent service provider businesses to provide pickup and delivery services on behalf of FedEx. Independent service provider companies employ their own drivers and support staff, and utilize their own equipment for transporting packages. More than half of these businesses have provided service to FedEx for more than five years, and 38% are minority, veteran, or women-owned. Since 2018, the average annual revenue for service providers has more than doubled to \$2.1 million, and the annual revenue generated totals \$12.3 billion.

The scale of these operations and the range of the company’s services make FedEx a significant presence in the U.S. Transportation and Warehousing sector,¹⁶ which grew substantially in FY 2024.

The sector’s total net economic output reached an estimated \$981 billion in FY 2024, an 18% increase over total net economic output in FY 2023. FedEx directly contributed an estimated 6.7% of that net economic output in FY 2024.

Across the entire U.S. economy, FedEx directly contributed an estimated 0.2% of net economic output in FY 2024, a considerable impact for a single company.

In addition to this direct impact, FedEx indirectly contributed an estimated \$8.1 billion to net economic output across the entire U.S. economy in FY 2024.

Measuring market-level impact

The contributions that FedEx makes to the U.S. economy are often most noticeable in locations where the company has a

large presence. Cities, counties, and states that house significant FedEx facilities experience the direct impact of its capital expenditures, high levels of company employment, and purchases with local suppliers, along with the economic activity indirectly generated by the company’s extensive shipping, logistics, and business services.

To illustrate this localized impact, Dun & Bradstreet analyzed FedEx economic contributions to 13 U.S. markets, including seven states — Alaska, California, Florida, New York, Ohio, Pennsylvania, and Tennessee — and six major metropolitan areas, including Dallas-Fort Worth-Plano, Indianapolis (Marion County), Memphis (Shelby County), Miami (Miami-Dade County), Pittsburgh (Allegheny County), and Los Angeles (Los Angeles County). The analysis focused on the company’s impact on the Transportation and Warehousing sector, where FedEx makes substantial contributions due to the size of its network and the nature of its core services. As in the overall U.S. economy, FedEx contributed to strong economic growth at the market level. All 13 markets analyzed recorded increases in GDP for the Transportation and Warehousing sector in FY 2024. Transportation and Warehousing growth also outpaced overall GDP growth in seven of the markets analyzed, including Florida, New York, Pennsylvania, Ohio, Indianapolis, Miami, and Pittsburgh.



¹⁵ This number includes active full-time and part-time FedEx employees.
¹⁶ As defined by the U.S. Bureau of Economic Analysis.

FedEx also remains a major employer in these markets, paying wages that further stimulate economic activity across municipalities, counties, and entire states. For example, FedEx employs nearly 40,000 people in both California and Tennessee, approximately 18,000 people in Florida, nearly 15,000 in Pennsylvania, more than 12,000 in Ohio, and approximately 14,000 in New York. Those jobs are often concentrated in major metropolitan areas, such as Shelby County, Tennessee, where FedEx employs approximately 32,000 people; and Dallas-Fort Worth-Plano, Texas, where FedEx employs approximately 15,000 people.

FedEx spending with local suppliers also makes important contributions to the economies of these markets. For example, FedEx spent \$1.3 billion with suppliers in Marion County, Indiana, and \$1.1 billion with suppliers in California in CY 2023. FedEx spending with local suppliers surpassed a half-billion dollars in several other markets in CY 2023, including Tennessee (\$637 million), Pennsylvania (\$612 million) Florida (\$598 million), New York (\$580 million).

Employment


With operations and employees in every state, FedEx is one of the largest employers in the country. The company is committed to supporting all employees with a safe, inclusive, and growth-focused workplace. Since the company's inception, opportunity has been at the forefront of its commitment to excellence. Providing opportunities to everyone ensures that FedEx team members – and their diverse perspectives, backgrounds, identities, talents, and skills – all come together to make the company successful in an ever-changing global marketplace. To illustrate this commitment, in FY 2023, 57% of FedEx employees in the U.S. identified as minorities. Within U.S. management, employees that identified as minorities made up 37% of positions.

As team members look to grow in their careers, FedEx offers tuition assistance and the Learning inspired by FedEx (LiFE) program — a partnership between FedEx and the University of Memphis. The LiFE program offers tuition-free, online degree options for more than 30 associate's and bachelor's programs of study. In FY 2024, approximately 4,500 employees were enrolled. FedEx is also dedicated to helping all team members develop their careers through learning and development opportunities, including the FedEx Learning Center that provides more than 25,000 online courses to employees after orientation.

As part of the company's total rewards package, FedEx also provides competitive benefits to support the health and quality of life of employees and their eligible family members, including healthcare, wellness, paid sick leave, flexible paid time off, short- and long-term disability, and other benefits. Eligible full- and part-time employees may elect these competitive health benefits offered by FedEx for themselves and their eligible dependents. In 2023, FedEx covered more than 70% of total eligible health care costs on average for more than 360,000 participating employees and their dependents in the U.S.

This commitment to providing high-quality jobs, career growth opportunities, and support for employees' health and well-being has repeatedly earned FedEx honors as one of the best places to work in the United States. For example, in 2023 FedEx was named by LinkedIn as one of the Top Companies to Grow your Career and recognized as a Blue Ribbon Company by Fortune. In 2024, FedEx was named one of the Best Companies to Work for by the Women's Choice Awards.





A closer look at select markets in the United States

Alaska

FedEx serves Alaska residents and businesses with a network of 28 facilities, more than 200 vehicles, and a workforce of nearly 1,400 team members. In FY 2024, Alaska was one of the first markets to complete optimization under the company's Network 2.0 initiative.

Alaska plays a critical role in the global FedEx network by hosting an air hub at Ted Stevens Anchorage International Airport. Air hubs are strategically located around the world to ensure fast, reliable shipping services across the integrated FedEx air and ground network. Each of the 13 FedEx air hubs serve as main sorting centers where packages from all over the world are consolidated, sorted according to their final destination, and then distributed by plane or by ground transportation. To handle the large volume of packages transported across the FedEx network, air hubs operate day and night and feature advanced automation technology to rapidly sort and process packages, including sophisticated conveyor systems, barcode scanners, and tracking technologies.

The Anchorage air hub is the third-largest customs clearance port in the FedEx network, operating as the gateway for trans-Pacific shipping between the U.S. and Asia, as well as a hub for domestic shipments. It is equipped to sort up to 25,000 packages per hour, taking large volume shipments and splitting them into multiple batches for final

delivery. Given the important role this facility plays in serving Alaskan customers, FedEx is in the midst of a \$200 million investment to establish a new sorting facility at the air hub, which will enhance domestic service to the Alaska market by processing 6,000 packages per hour that are destined for delivery in the state. The improvements include a new Unit Load Device (ULD) cross-deck facility that opened in December 2023, where containers that hold multiple packages can be transferred onto airplanes. The plans also call for new ramp parking for up to four ATR72 planes and five C208/C408 planes, which are important feeder aircraft that maintain a continuous flow of packages.

The improvements at the Anchorage air hub will help FedEx further optimize shipping efficiency, while also increasing volume through the facility. Higher volume can in turn benefit the local economy through additional operations, increased revenue from landing fees and fuel purchases, and additional jobs.



California

Serving the country’s most populous state calls for one of the largest FedEx networks in the U.S. The company operates more than 500 facilities across California, including an air hub at San Francisco Bay Oakland International Airport that supports trans-Pacific shipments between the U.S. and APAC and a 505,000-square-foot, state of the art package sorting facility for ground shipments in Chino. These facilities and FedEx shipping and logistics services support California’s overall economy — and in particular, the Transportation and Warehousing sector, which recorded 3.1% GDP growth in FY 2024. This extensive network also means that FedEx spending with local suppliers circulates throughout the California economy. In CY 2023, FedEx supplier spending in California totaled \$1.1 billion.

The Los Angeles area is a key location within this statewide network due to its unique transportation infrastructure, which includes major ocean cargo terminals, airports, and an extensive highway network. Approximately 12,000 of the 40,000 total FedEx employees in California work in Los Angeles County alone, many at the 300,000-square-foot sorting facility in Los Angeles.

Alongside these major facilities, the Los Angeles area is home to many other smaller, integral pieces of the FedEx network, including the FedEx Ship Center in Hawthorne. Ship Centers are FedEx-operated facilities that help individuals and commercial customers access the integrated air and ground express network that connect destinations around the world. In addition to enabling customers to drop off and pick up packages, Ship Centers offer customs brokerage, supply chain management, and special handling services. For example, the Hawthorne Ship Center delivers products for customers like NDX Pacific Dental Laboratories and trained the courier who delivered the Vince Lombardi Trophy to Super Bowl LVI when it was held in the Los Angeles area.

Hawthorne is also notable for its leading role in FedEx fleet electrification efforts: It was one of the first Ship Centers in the southwest region to install EV chargers and to begin receiving EV trucks. This ongoing evolution of the FedEx pickup and delivery fleet is critical to pursuing the company’s goal of achieving carbon neutral operations by 2040.

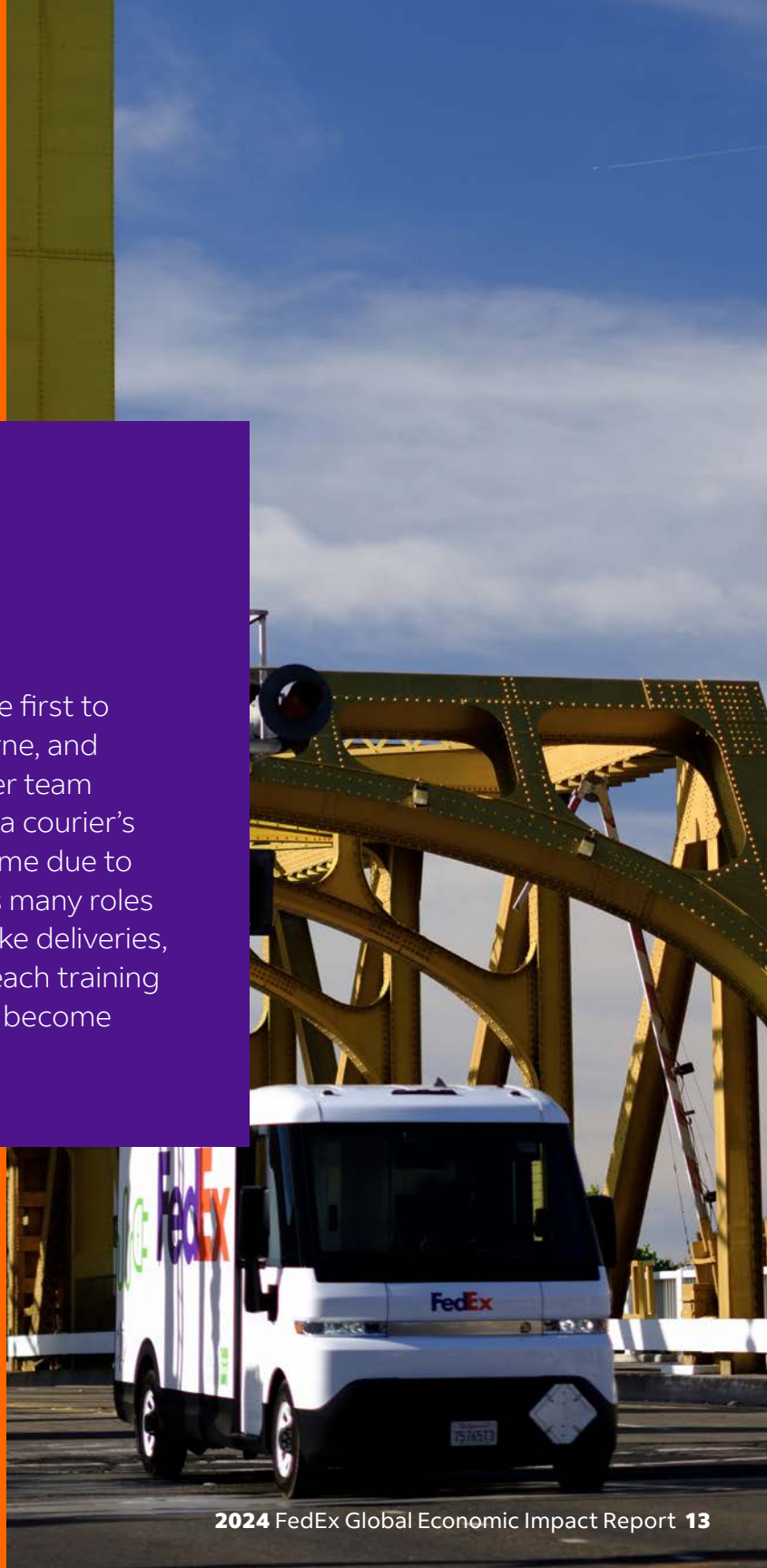


Joshua Galdames

Courier Swing Driver — 6 years
Hawthorne, California

Josh is a jack of all trades at work. He was the first to start operating EVs at his station in Hawthorne, and he has now passed on his knowledge to other team members — including how EVs add value to a courier’s route with less maintenance and by saving time due to eliminating gas station stops. While Josh has many roles at the station, including driving routes to make deliveries, training new hire couriers, and traveling to teach training classes, it’s watching the people he’s trained become successful that he finds most rewarding.

“I didn’t realize training was something I was capable of, but it helped me develop as a person and break away from childhood fears of being shy. It helped me grow, and now it makes me feel great and motivated.”



Florida

FedEx supports the fast-growing Florida economy with a network of 257 facilities, more than 2,500 vehicles, and approximately 19,000 team members across the state. Contributions from FedEx make a particular impact in the state's Transportation and Warehousing sector, which recorded 6.4% GDP growth in FY 2024 — outpacing the 4.8% growth rate for Florida's overall GDP.

FedEx also spent nearly \$600 million with Florida suppliers in CY 2023, creating a source of revenue that helps local businesses provide goods and services to the Florida economy and to invest in their own operations.

Beyond these local contributions, FedEx operations in Florida play an important role in the company's international operations.

Miami International Airport is home to the FedEx LAC gateway, the main transit point for shipments between LAC and the rest of the world. One of the most important elements of that gateway is a state-of-the-art cold chain facility that is the largest in the FedEx network.

FedEx operates 90 cold chain facilities around the world to provide safe and efficient handling, storage, and transportation of temperature-sensitive goods, such as pharmaceuticals, therapeutics, biotechnology, food, flowers, and other perishables.

The 70,000-square-foot Miami facility includes 12 pre-cooled storage rooms that maintain temperatures ranging from -13°F to 77°F.

It also includes an in-house clearance facility that accelerates the inspection process to help ensure that items processed through the cold chain facility arrive fresh at their destinations.

One of the main functions of the Miami facility is to transport fresh flowers from LAC producers to U.S. customers, particularly during busy holidays. For example, during the Valentine's Day season, about 2.2 million pounds of flowers from Latin America pass through the Miami facility and arrive at U.S. doorsteps in 48 to 72 hours. FedEx International Priority DirectDistribution® service ensures that the export process begins the same day the flowers are cut and allows customers to consolidate multiple batches of flowers into a single shipment for transportation and customs clearance.

This fast, efficient process creates powerful growth opportunities for customers such as FiftyFlowers, a U.S. based e-commerce store that sources flowers from more than 350 farms around the world, including Ecuador. The woman-owned and operated company offers flowers for any occasion but is best known as a pioneer in the do-it-yourself wedding movement, helping customers design custom flower arrangements. Orders ship to customers directly from the Ecuador farms, for example, through the Miami cold chain facility, with FedEx providing the shipping and logistics management to ensure that the hand-picked, hand-packed flowers arrive fresh, intact, and on time. This support from FedEx has helped FiftyFlowers grow its business tenfold.





A closer look at select markets in the United States

Indiana

Indianapolis is home to the second largest FedEx air hub in the world at Indianapolis International Airport. The 3 million-square-foot facility provides critical capacity for U.S. and international shipments and is the centerpiece of a statewide FedEx network of 117 facilities that employ nearly 12,000 people across Indiana. The volume of shipments passing through the Indianapolis air hub also makes it an ideal location for a FedEx freight service center.

FedEx operates 360 freight service centers across its network to provide an integrated transportation and logistics solution. The centers support the company’s LTL shipping operations by receiving inbound freight from multiple origins, sorting shipments based on destination and priority, and then dispatching them for final delivery or further transportation across the FedEx network.

To reduce delivery times and improve efficiency, freight service centers use cross-docking, a process that allows freight to move quickly from inbound trucks to outbound trucks with minimal storage time. Freight service centers also provide warehousing capacity to help customers manage inventory or to optimize delivery time when direct transport isn’t immediately available.

For specialized freight, FedEx freight service centers are equipped to handle hazardous materials, oversize shipments, and temperature-sensitive goods. The facilities also house additional services such as customer support centers, fleet maintenance operations, and driver dispatch and route planning support.

The Indianapolis freight service center uses advanced logistics technology and infrastructure to support high-

volume freight handling. These features allow the facility to process an average of 4,150 shipments totaling 3.7 million pounds each day. Its location next to an air hub allows for seamless integration with the wider FedEx network and quick transfers between air and ground transportation — increasing the efficiency of domestic and international freight movement and improving service for customers around the world.

With this large presence in Indianapolis, FedEx makes significant contributions to the fast-growing Transportation and Warehousing sector in surrounding Marion County. In FY 2024, that sector’s GDP grew 5.8%, well above the 2.8% growth rate for the county’s overall GDP.



Yvonne Mayfield

Control Room Agent — 28 years
FedEx Indianapolis Hub, Indiana

Yvonne’s leadership team saw potential in her from the start when she joined FedEx as a package handler at the Indianapolis Hub. They suggested she apply for a role in the control room, and on her first day of orientation, she was key in resolving an unexpected situation and knew she was in the right place. Since then, Yvonne has lived her dream of working in aviation, and she brings her positivity and industry knowledge to her role every day.

“Learning is key here, and still at 28 years, I’m willing to learn as much as I can. It’s a dream. I want things to make sense. I’ll ask questions about why we are taking certain routes so I can understand fully. I never stop learning.”

New York

As the largest city in the U.S. and a commercial center for national and international businesses, New York City is home to a concentration of critical FedEx operations. In FY 2024, FedEx delivered approximately 186 million packages and picked up approximately 162 million packages across the New York metro area. Supporting this volume of shipments requires a range of different facilities, from ground transportation hubs throughout the New York area and large-scale package sorting facilities to local Ship Centers, neighborhood drop boxes, and the support of approximately 300 independent service providers.

To integrate these shipments into the global FedEx network, the company operates three nearby air ramps at JFK International Airport, Newark Liberty International Airport, and Stewart International Airport. Ramps are specialized facilities located at or near major airports to efficiently transfer packages or freight between FedEx aircraft and ground vehicles. They feature specialized equipment and trained personnel to handle large shipment volumes quickly and safely, and often include advanced sorting capabilities to direct packages to their next mode of transportation. Ramps that handle international shipments may also facilitate customs and security inspections.

The air ramp at Newark Liberty International Airport reflects how FedEx has optimized these facilities to accommodate the volume of shipments carried by the company’s integrated air and ground network. The 634,000-square-foot facility is the sixth largest in the FedEx network, with the capacity to process 15,000 packages an hour. Its strategic location allows it to receive and distribute shipments across the five boroughs of New York City as well as northern and central New Jersey — an area that totals 4,700 square miles.

Through the services provided by the company’s statewide network, which includes 224 facilities, FedEx helps drive economic activity in the New York Transportation and Warehousing sector. That sector recorded 4.6% GDP growth in FY 2024, well above the 2.3% growth rate for the state’s overall GDP. FedEx further contributed to the New York economy through its spending with local suppliers, which totaled approximately \$580 million in CY 2023.



Anna Lisa Leyco

FedEx Office Store Manager — 25 years
New York City, New York

Every day at work is different for Store Manager Anna Lisa, and that’s exactly how she likes it. The FedEx Office location on East 23rd Street in New York City provides print and shipping services to a wide variety of customers — including some celebrities — and the challenges of each day are learning opportunities that help Anna Lisa grow as a leader and enable her to better support her team.

“The team members are the foundation for our business, and fostering compassion for them is key. I try to be understanding, and I always remember that I was in their shoes too at one point. At the end of the day, I’m a people person.”





A closer look at select markets in the United States

Ohio

Ohio is an ideal location for shipping and logistics operations given its central location in the U.S. and a well-developed transportation infrastructure that includes highways, railroads, and airports. To support a range of Ohio industries — including manufacturing, retail, and e-commerce — FedEx operates a statewide network that comprises approximately 140 facilities, more than 12,000 employees, and 3,000 vehicles. This presence contributed to the 4.1% GDP growth rate in the state's Transportation and Warehousing sector in FY 2024, which surpassed Ohio's overall GDP growth rate of 2.5%. FedEx also spent nearly \$280 million with suppliers in Ohio in CY 2023, helping those companies make their own positive impact on the state's economy.

In addition to these statewide transportation and logistics facilities, Dayton, Ohio, is home to one of 16 FedEx manufacturing plants in the U.S. Unlike FedEx Office facilities that are open to the public for printing needs, these commercial manufacturing plants feature high-speed print and finishing equipment designed for narrow-format and signs and graphics printing. They support high-volume, fast-turn orders generated by FedEx retail, commercial, and hotel and convention sales teams, and can produce a range of finished products such as flyers, bound books, multi-page documents, posters, banners, flutter flags, yard signs, and other marketing materials. The strategic location of FedEx manufacturing plants allows commercial customers to have their orders printed and delivered from the nearest facility, which increases speed to market and reduces transportation costs.

The Dayton operation is one of two manufacturing plants in the FedEx network that focus exclusively on narrow-format printing, which includes flyers and multi-page documents such as bound books in sizes up to 12 inches by 18 inches. The plant is the fourth highest volume facility in the FedEx network for narrow-format printing, producing approximately 4.5 million impressions per month, or 54.5 million impressions a year (an impression is one side of a piece of paper). These capabilities support the needs of a large customer base in the industrial, commercial, and educational markets, as well as Ohio's more than 900,000 small businesses.



Mondi Bardhi

Co-founder, 2Brothers2 Inc. — More than 17 years contracted with FedEx

Toledo, Ohio

Mondi Bardhi and his brother Ardi immigrated from Albania in 2001, and together founded 2Brothers2 Inc., a Toledo-based service provider contracted with FedEx. Mondi prioritizes his business's charitable outreach, including donating to local non-profit organizations and supporting the prevention of human trafficking by providing Truckers Against Trafficking training to the 2Brothers2 drivers. He has built a business that not only provides excellent service but also fosters a strong sense of community and support.

“We have good retention because we treat our drivers and their families like they're part of our family. When you help each other out and share as my brothers and I do, you can accomplish many goals.”

Pennsylvania

Pennsylvania’s position in the middle of the Northeast, Mid Atlantic, and Great Lakes regions of the U.S. has made it a vital logistics hub for the eastern half of the country. FedEx has taken advantage of this strategic location to build a network of 160 facilities that employ approximately 15,000 people across the state. This infrastructure delivers fast, reliable service for shipments originating in or destined for Pennsylvania, while also serving as a major logistics point for shipments destined for other locations in the global FedEx network. An important piece of this network is the FedEx package sorting facility at North Pittsburgh Station.

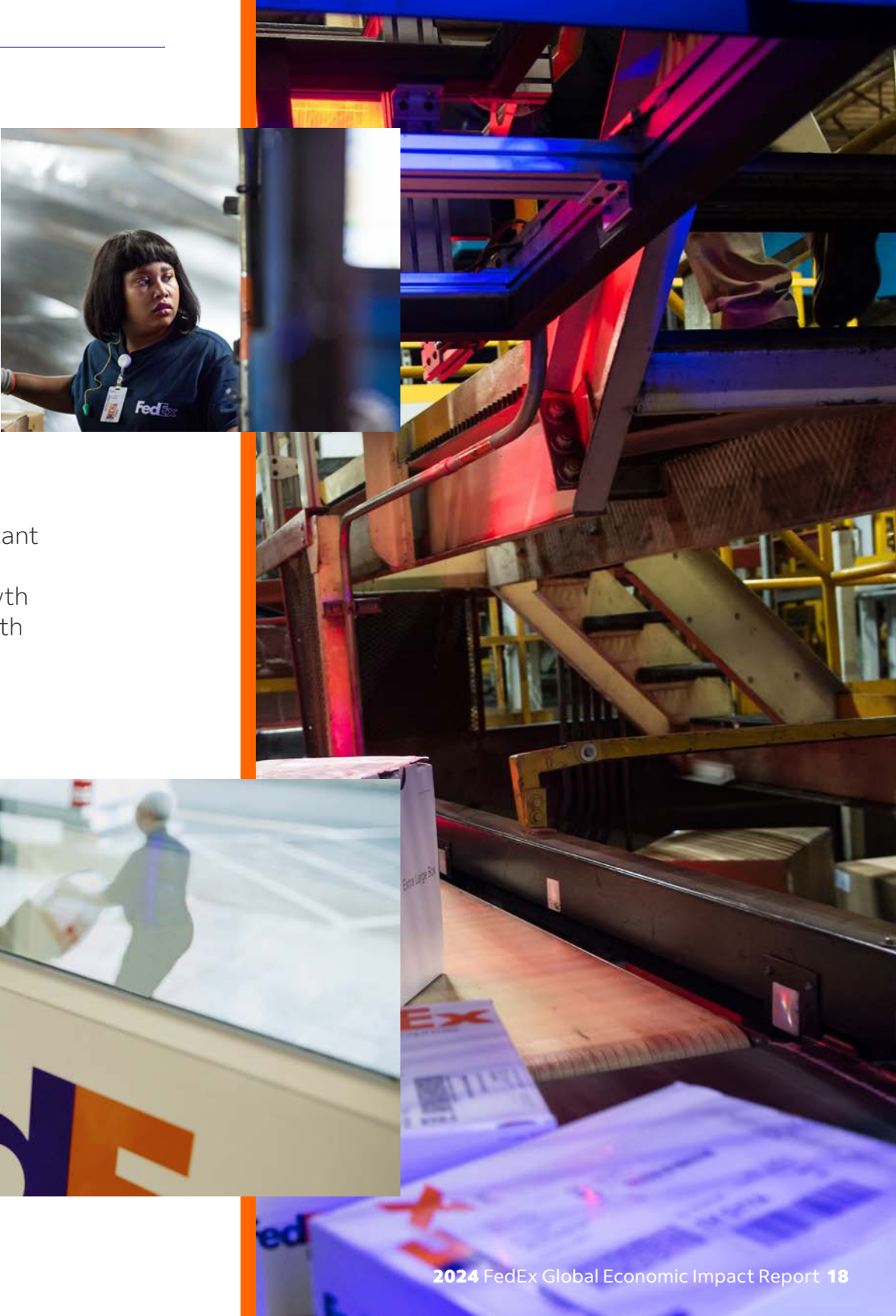
The FedEx network consists of more than 1,300 package sorting facilities to receive, sort, and distribute packages efficiently and reliably. When packages arrive at the facilities, team members and automated systems sort them based on destination by scanning package bar codes. Once sorted, packages are grouped by destination and routed to trucks, planes, or other vehicles for final delivery or transit to other regional hubs in the FedEx system. Some package sorting facilities handle items that require additional care, such as hazardous materials, oversize packages, and perishable goods.

One of those facilities, the 330,000-square-foot package sorting facility at North Pittsburgh Station can process up to 15,000 packages per hour. A series of conveyor belts move packages at 540 feet per minute as high-tech scanners capture and process data from each barcode label to make split-second decisions about where to divert each item. Some are routed for further shipment to other parts of the country, while small parcels

destined for the six-county Pittsburgh region are dispatched for local delivery.

To enhance the efficiency of this local network, FedEx continued making investments to modernize and optimize its Pennsylvania facilities in FY 2024, including the opening of a \$18 million, 250,000-square-foot FedEx distribution center in Hermitage.

This growing presence allows FedEx to make significant contributions to Pennsylvania’s Transportation and Warehousing sector, which recorded 4.1% GDP growth in FY 2024. FedEx also spent roughly \$350 million with Pennsylvania suppliers in CY 2023, adding to the company’s economic impact in the state.



Tennessee

Tennessee is the heart of the global FedEx network, where nearly 40,000 employees work out of 310 facilities. Memphis is a particularly important location in the state, hosting the company's headquarters and the company's largest air hub at Memphis International Airport.

To support future growth of the Memphis air hub, FedEx is in the midst of a multi-year investment to modernize the facility. In FY 2024, that project included the construction of the Secondary 25 building, a new, state-of-the-art 328,000-square-foot sorting facility.

The scale of FedEx operations in Tennessee has a large impact on the state's economy and the economy of Shelby County. Contributions from FedEx helped the Shelby County Transportation and Warehousing sector and the statewide Transportation and Warehousing sector both grow 3% in FY 2024. FedEx also spent \$637 million with suppliers across the state and \$284 million with suppliers in Shelby County during CY 2023.

Behind the scenes of the very visible FedEx presence in the state, Tennessee is also home to another critical piece of the company's network — the FedEx Global Operations Control Center (GOCC). Housed in Memphis, the GOCC is the nerve center for the company's global logistics operations. More than 220 Global Operations Control (GOC) specialists work out of the GOCC and coordinate the movement of millions of shipments by tracking thousands of flights and trucks all day, every day of the year. Using advanced technology, the GOC team monitors real-time data on the status of flights, weather conditions, package locations, and other critical information. That data allows a specialized GOC event manager team to make fast decisions and implement contingency plans in the event of disruptions caused by weather, technical issues, traffic, or other unexpected events.



Ronald Zampini

777F Fleet Chief Pilot— 29 years

FedEx Memphis Hub, Tennessee

Ron has moved a lot of precious cargo throughout his 29-year tenure flying for FedEx, including three giant pandas from Washington, D.C. to China in November 2023. While Ron enjoys his time in the air, he finds the most fulfillment in leading more than 1,300 FedEx crew members. Ron believes it is necessary to have operational experience as well as empathy to be an effective Fleet Chief Pilot — a role that requires supporting high-functioning individuals both professionally and personally.

“I find my joy in flying, but what is most rewarding about my role is taking care of the pilots — I love that.”

Also based in the GOCC is a team of meteorologists who serve as the company’s in-house weather experts. Their insights help FedEx identify and manage weather-related concerns and provide support for GOCC flight dispatchers and flight crews navigating the ever-changing conditions across the global FedEx footprint. To enhance network resiliency, the meteorology team also uses predictive analytics and machine learning to anticipate potential disruptions. Computers run simulated “what if” scenarios such as weather delays and route changes to test the impact on the FedEx network over the course of seven days. Those tests, in turn, help FedEx develop new protocols and contingency plans that are ready to be implemented in the event a similar scenario occurs in the real world.

This centralized approach to operations management allows FedEx to optimize routes, improve efficiency, and minimize delays — helping to ensure that packages are delivered on time.



Jeffrey Franklin Sr., Jordan Franklin, Jailyn Franklin, Jonathan Ward, Jeff Franklin Jr.

Operations Manager, Material Handler, Dangerous Goods Agent, Material Handler, Ramp Agent
FedEx Memphis Hub, Tennessee

It takes a wide variety of talents to keep operations running smoothly at the FedEx global hub in Memphis, and sometimes they can come from the same family. Jeffrey Franklin first started at FedEx seven years ago, and four of his children have followed in his footsteps since then. From sorting packages to offloading aircraft, this family touches multiple parts of global operations, and is one example of the many multigenerational families that work at FedEx.



“I love the diversity here, and you have the freedom to go as far as you want to go, whatever your ambition is. They give equal opportunity to everyone, and the opportunities are there if you take them.”

– Jonathan Ward

Texas

FedEx serves Texas with a network of facilities and services that are as big and diverse as the state itself. The company employs more than 32,000 people in 381 facilities across the state, including a regional air hub at Fort Worth Alliance Airport and the headquarters for FedEx Office in Plano. Texas's extensive air, highway, and rail infrastructure helps FedEx efficiently move shipments throughout the state and to key markets in the South, Southwest, and beyond. The state's proximity to Mexico also makes it a vital part of the North American supply chain and a hub of international trade, which FedEx supports with dedicated transportation routes and brokerage services that simplify cross-border trade.

Through these services, FedEx makes valuable contributions to the Texas economy, particularly in the metropolitan area around Dallas, Fort Worth, and Plano. In FY 2024, FedEx contributions helped the Transportation and Warehousing sector in that area grow its GDP by 4.6%, double the GDP growth rate of 2.3% the previous year. FedEx also spent more than \$290 million with local suppliers in Texas in CY 2023.

The contributions that FedEx makes to the Texas economy extend all the way to the neighborhood level, and a primary way that FedEx helps customers tap into the company's global network starts with the more than 600 FedEx Authorized Ship Centers (FASCs) that are located across the state. FASCs, or pack-and-ship stores, are independently owned and operated businesses approved to offer FedEx services, especially in markets where there is no dedicated FedEx Office store or FedEx facility. FASCs schedule regular pickups for air and ground shipments and allow customers to drop off pre-labeled FedEx packages. Many offer packing materials and assistance with packing items securely for transport. Some FASCs also provide printing, copying and faxing services, and mailbox rentals.

One of these local providers is Box & Ship, an FASC in Fort Worth run by Rajan and Martha Dorasami. Since 2002, Box & Ship has provided the local community with high-quality shipping, packing, and mailing services. Rajan Dorasami says his goal is to deliver a customer experience that matches the key attributes of the FedEx brand, including speed, reliability, and professionalism.



Lisa Evans

Trace Agent — 9 years

FedEx Alliance Airport Hub, Fort Worth

Lisa plays an important role at the Alliance Airport Hub to help make sure packages don't go missing. She'll often receive boxes with no information, and through her tools and years of experience, she is able to ensure they reach their final destination.

"I love my job because hearing from someone who has lost hope, and then learning that their package is going to be found, is a good feeling. I like being able to turn a situation around so I can deliver on a promise."



Spotlight: The Americas

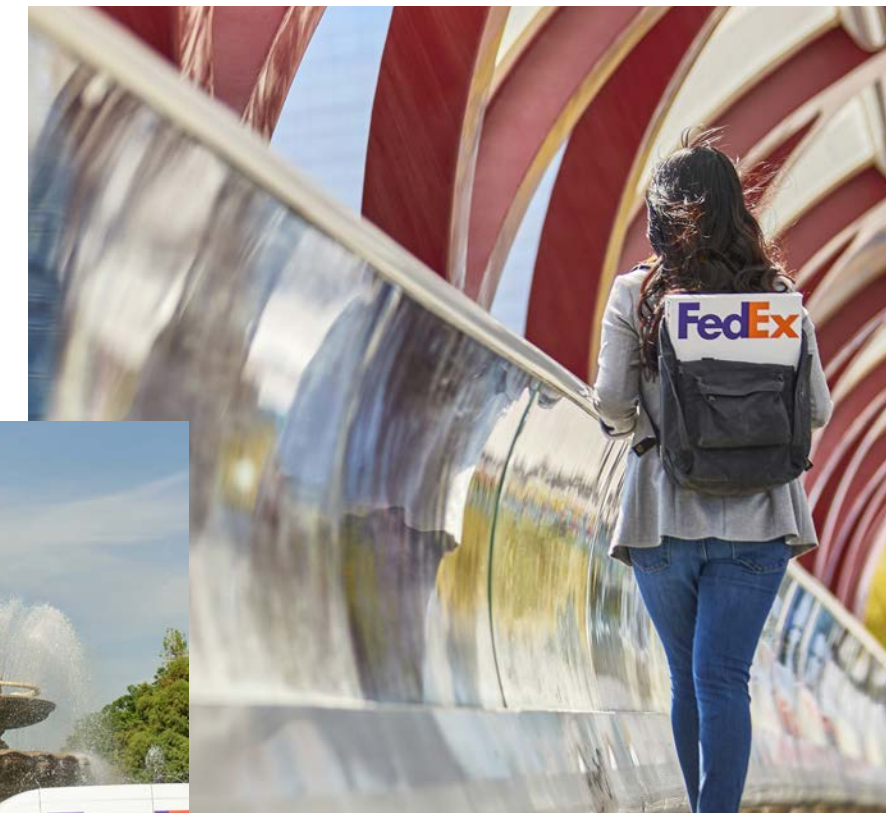
North and South America and the LAC region includes large, diversified economies such as Canada and Brazil, along with smaller economies that are major global exporters of food, agricultural products, and other natural resources. As trade between the Americas and the rest of the world is increasing, the region is also becoming a growing manufacturing center for companies looking to diversify their supply chains.

To support the economy of this diverse region, FedEx offers a range of shipping and logistics services through a transportation network that reaches 50 different countries — extending from Canada to the southern tip of Chile. The company's facilities include air and ground infrastructure to facilitate expanding trade, including the air gateway at Miami-Dade International Airport in Florida that serves as the primary transit point for shipments between LAC and the rest of the world. Other FedEx facilities are designed to provide fast, efficient service to local customers, including the recently expanded distribution center in Pudahuel, Santiago, Chile.

With this large footprint, FedEx directly contributed 2.4% of net economic output in the Transportation, Storage, and Communications sector¹⁷ in Canada in FY 2024. In LAC, contributions from FedEx accounted for 0.8% of net economic output in that region's Transportation, Storage, and Communication sector.¹⁸



Beyond this direct impact, FedEx indirectly contributed an estimated \$1.2 billion to net economic output in the LAC region. In Canada, FedEx indirect contributions to net economic output were \$1 billion.



¹⁷ As defined by UNCTAD.

¹⁸ As defined by UNCTAD.



A closer look at select markets in the Americas

Canada

FedEx in Canada is headquartered in Mississauga, Ontario and operates a nationwide network that includes three air hubs in Toronto, Montreal, and Vancouver; state-of-the-art facilities such as the small-package sorting facility in Etobicoke and the multi-million-dollar automated sort facility in Vaughan; a network of stations across the country; and fleet of more than 5,000 vehicles.

In recent years, FedEx has prioritized sustainability by promoting the electrification of the Canadian transportation sector. Since 2020, FedEx has operated an electric cargo bike (e-bike) delivery fleet with 45 e-bikes in use from coast to coast. In FY 2024, FedEx launched its first all-electric delivery vehicles in Canada — deploying 50 EVs in Ontario, Quebec, and British Columbia. To support those all-electric vehicles, FedEx has also built 100 charging stations at its facilities across the country.

Beyond investing in its own infrastructure, FedEx has also provided funding to Canadian think tank Pembina Institute to launch their Grid Readiness Project that will help prepare the country's electricity grid and energy infrastructure for increased demand for EV charging. The company's support of the Pembina Grid Readiness Project in Canada is an extension of its work with RMI in the U.S. to build a similar tool called GridUp. Pembina will leverage RMI's GridUp data platform to develop a comprehensive charging action plan for the greater Toronto area that can be scaled to other jurisdictions, which will help accelerate fleet electrification for all freight companies and commercial fleets, including FedEx.



Winston Gayle

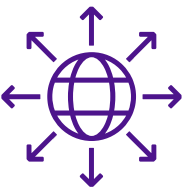
CTV Driver — 36 years
FedEx Mississauga Hub, Ontario, Canada

Winston began his career at FedEx as a foot courier in downtown Toronto, and now he helps move freight across Canada. He might start his morning in Vaughn, Ontario, make a few stops along the way offloading and picking up trailers, and end his day more than 200 kilometers away in Kingston, Ontario. He's built skills in time management, organization, and flexibility, and currently he uses his expertise and years of experience to provide guidance on safety protocols to everyday operations.

“Without me achieving my daily tasks, freight doesn't get where it needs to go. This would negatively impact the business with delays, customer relationships, and more. I get things where they need to go on time, securely, and safely!”



Brazil



For 35 years, FedEx has expanded its logistics air and road operations across Brazil to connect South America’s largest economy to the rest of the world.

To help customers access this network, FedEx opened its first street-level shipping center in downtown Rio de Janeiro in FY 2024, offering international shipping and last-mile supply chain operations. The new shipping center is also the first FedEx location in Brazil to have an all-electric fleet, consisting of eight motorcycles and two vans.

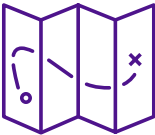
The rollout of the all-electric fleet at the Rio shipping center is part of the company’s ongoing efforts to reduce emissions across its operations. In total, FedEx introduced 15 zero-emission motorcycles to its Brazilian fleet in FY 2024 for delivery of small packages in areas with heavy traffic congestion. In addition, FedEx is replacing older, less-efficient ground vehicles in Brazil with new vehicles that feature Euro 6 engines, an emissions standard that reduces pollutants from diesel engines. These cleaner diesel engines will make the fleet more sustainable as FedEx works to transition to EVs in the future.

FedEx in Brazil is also focused on safety innovations. In São Paulo, the company is testing electric vans equipped with artificial intelligence to protect against cargo and vehicle theft. The solution, developed by the startup T4S, uses monitoring cameras interconnected with Security Operations Center (SOC) at FedEx and other theft deterrents. The technology allows real-time visual monitoring of vehicles through intelligent alerts to the SOC, with the goal of providing information that allows FedEx to contact police and emergency response teams more quickly — helping protect team members, vehicles, and customer shipments.





Chile



FedEx employs more than 2,000 team members in Chile and operates the country’s largest national delivery network, with 500 routes connecting 400 communities.

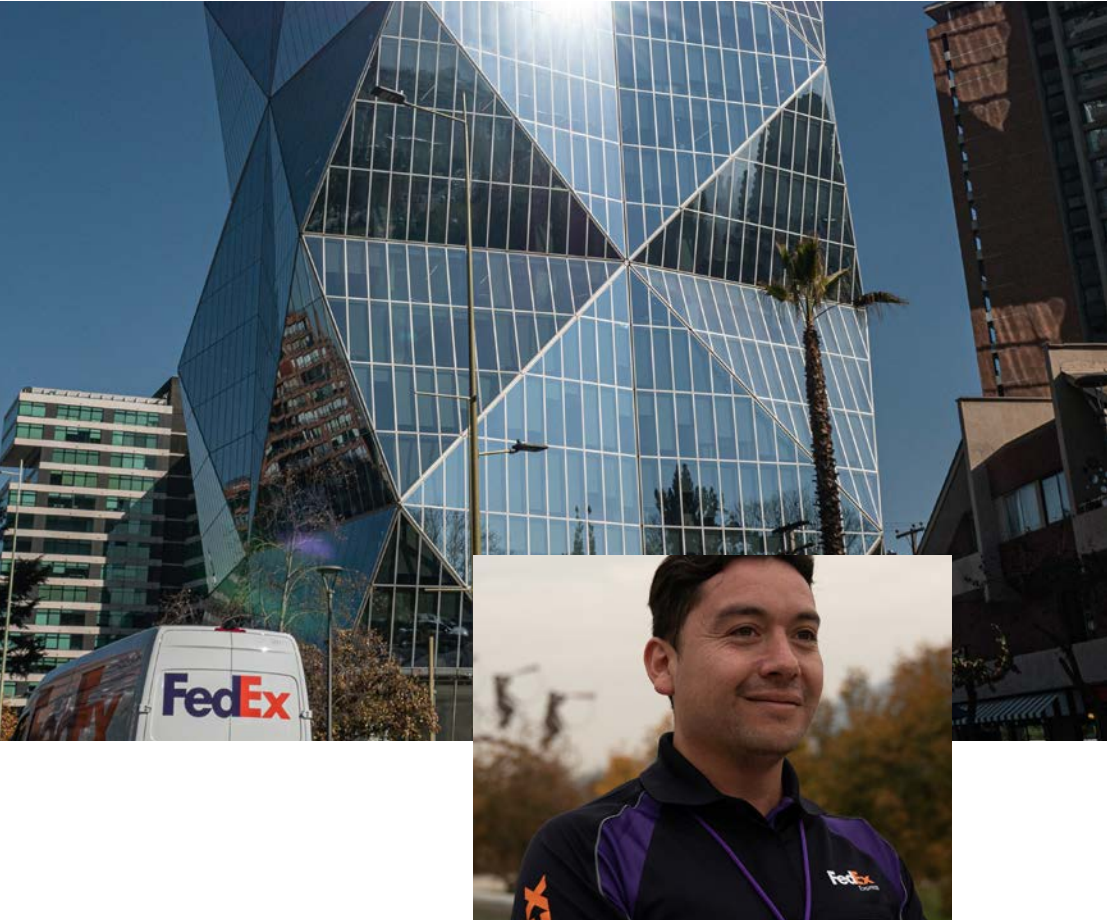
To provide fast, efficient shipping service across this network and to the rest of the world, FedEx has invested heavily in modern facilities in recent years, including the 14,000-square-meter distribution center in Pudahuel, Santiago — the company’s largest e-commerce focused distribution center in South America.

FedEx has also prioritized sustainability during its expansion in Chile, earning the company’s ground operations Giro Limpio certification in FY 2024 — its fifth consecutive year. Giro Limpio is a program that recognizes companies for efforts to reduce their carbon footprint and fuel consumption relative to load transported and the number of kilometers traveled.

Fleet electrification is a key strategy helping FedEx earn Giro Limpio recognition. In FY 2024, FedEx added 14 new electric vans to its Chilean fleet, bringing its total to 22 EVs in the country. Now, zero-emission vehicles make up 22% of the FedEx fleet focused on the distribution of small e-commerce packages in the Santiago Metropolitan Region.

As part of the company’s efforts to reduce emissions from its traditional tractor trailer fleet, FedEx participated in the EUROCLIMA international project in FY 2024, financed by the European Union. This research project — conducted with the Energy Ministry of Chile, the Energy Sustainability Agency, and the Transportation and Logistics Center of Andrés Bello University — aims to develop good practices in the ground transportation sector by testing technologies that drive energy efficiency, fuel savings, and reduce emissions.

FedEx tested the impact of using super-wide tires in tractors and trailers that travel the roads of Chile daily, under the NCh 3331 norm and with a standardized load of 14 tons. The results showed that using super-wide tires in place of double rolling single tires generates 5.7% savings in fuel consumption and a 6% improvement in fuel efficiency. Currently, FedEx has installed wide tires on 80 tractors and 60 trailers, roughly 60% of the FedEx linehaul fleet in Chile. The results of the tests will generate data on the real impact of wide tires and help reconfigure truck engines to generate fuel savings in the future.



Mexico

FedEx serves all 32 states of the Mexican Republic through an extensive network that includes a national land hub, a logistics center, six national air cargo terminals, 44 critical inventory warehouses, 83 operating stations, and more than 3,000 pickup and delivery points.



The FedEx fleet in Mexico includes more than 2,000 road vehicles and aircraft operating more than 35 international flights each week.

Fleet modernization has been a priority for FedEx in Mexico to support the broader FedEx corporate goal to pursue more sustainable transportation methods. FedEx has modernized its air fleet in Mexico by replacing an older MD11 aircraft with a new Boeing 767/300 and purchasing two new ATR aircraft — regional planes that have efficient fuel consumption. To modernize the ground fleet, FedEx plans to continue adding EVs in Mexico in the coming years.

Besides contributing to the Mexico economy and promoting sustainability, FedEx also provides significant support to local communities around the country through charitable activities and quick response to emergencies and natural disasters. When Hurricane Otis devastated Acapulco in October 2023, FedEx transported more than 120 tons of food, essential items, and water to the area in collaboration with the Mexican Red Cross; delivered seven emergency health kits and 80 medical backpacks containing enough medicine and supplies to provide health services to nearly 10,000 people in collaboration with Direct Relief; and transported 2,680 backpacks and school supplies to 16 schools in Acapulco in collaboration with the Niños en Alegría association. In addition, a canteen truck that FedEx previously donated to the Salvation Army Mexico provided food and drinks to Hurricane Otis survivors in October 2023.

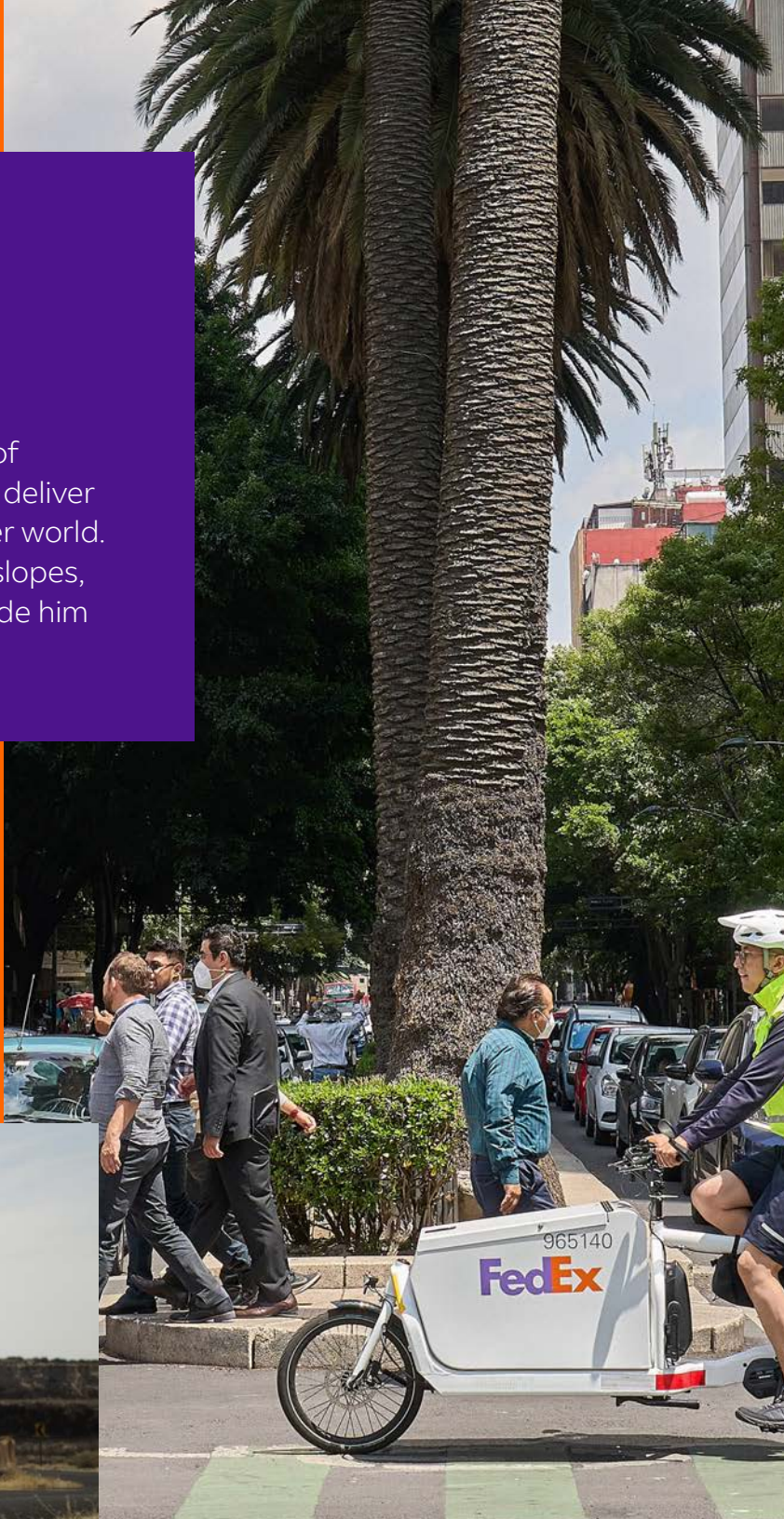


Jair Jaramillo

E-bike Courier — 2 years
FedEx Bogotá Station, Colombia

Jair finds riding an e-bike through the city of Bogotá more than just a productive way to deliver packages — it’s one step closer to a greener world. Learning to navigate the busy city streets, slopes, and unique situations on the e-bike has made him an asset to our delivery network.

“I really like the way people are treated at FedEx. From the beginning of the working day, there is a good atmosphere. The quality of people in the company is something that I value a lot. It’s like a family.”





Spotlight: Europe

Europe is a major driver of global economic activity, with the combined GDP of the 27 European Union member states representing the third-largest economy in the world.¹⁹ Along with its highly developed service-driven economies, Europe remains an innovation and manufacturing hub for key industries such as information technology, renewable energy, healthcare, and pharmaceuticals. The region is the top trading partner for 80 countries around the world²⁰ and is one of the most attractive markets for foreign businesses to establish and expand operations.²¹

FedEx has been a critical partner to European businesses for 40 years, with a network that serves nearly all countries across the continent. The FedEx air hub at Paris-Charles De Gaulle Airport (CDG) is the company's largest hub outside the U.S., providing a vital transportation link between Europe and North America, Asia, and the Middle East. In FY 2024, FedEx continued optimizing its European network through strategic investments, including a new logistics facility and headquarters in Dublin, Ireland; expanded and modernized logistics facilities in Karlsruhe and the Leipzig region of Germany to accommodate growing shipment volume; and a new pickup and delivery facility in Poland to help businesses reach domestic and international customers.

FedEx directly contributed an estimated 0.4% to net economic output in Europe's Transportation, Storage, and Communications sector²² in FY 2024. That sector's net economic output grew to an estimated \$2.5 trillion during the year, a 13% increase over FY 2023.

¹⁹ <https://www.weforum.org/agenda/2023/02/eu-countries-largest-economies-energy-gdp/>.

²⁰ https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/eu-position-world-trade_en

²¹ https://www.ey.com/en_tw/attractiveness/optimism-remains-in-europe-as-foreign-direct-investment-declines

²² As defined by UNCTAD

²³ As defined by UNCTAD



FedEx also indirectly contributed an estimated \$2.9 billion to the overall European economy in FY 2024, a nearly 21% increase over the company's indirect contributions in FY 2023.

FedEx made its largest impact in Europe's Transportation, Storage, and Communications sector,²³ where the company's indirect contributions were estimated at \$960 million.





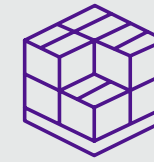
A closer look at select markets in Europe

Belgium

With the acquisition of TNT Express, Liège Airport (LGG) in Belgium became a critical part of the FedEx global network, operating as a secondary air hub in Europe alongside CDG. In FY 2024, FedEx expanded the role for LGG by announcing plans to make it the company's new intercontinental air freight hub for Europe.

The intercontinental air freight hub in Liège will handle palletized shipments and loads in excess of 68 kilograms. The airport's strategic location near the primary FedEx road hubs in Duiven, the Netherlands will efficiently connect freight shipments in and out of Europe with the extensive FedEx road network.

As part of this development, FedEx added a second transatlantic freight flight, connecting Liège to Indianapolis, and created additional sort windows in Liège in CY 2024. The flight will connect four times per week to the FedEx hub in Indianapolis, expanding the capacity provided by the existing FedEx Liège-Memphis connection. The Liège-Memphis flight will also begin predominantly moving freight shipments, and Liège will continue to support the primary FedEx hub at CDG.



Beyond enhancing service for companies that ship freight in and out of Europe, the additional sort windows and flight capacity will create additional daytime shifts for Liège team members.



France

CY 2024 will mark the 25th anniversary of the FedEx hub at CDG. Over that quarter century, FedEx has invested more than \$600 million euros in capital²⁴ to turn the facility into its largest hub outside of the U.S. Besides providing a vital link in the FedEx global network, the CDG hub is also a major contributor to the local economy. FedEx employs nearly 5,500 people in the Paris/Île-de-France region, where the hub is based. Each FedEx job, in turn, generates four additional jobs in the regional economy.²⁵

The impact of the company’s recruitment, training, and promotion efforts helped FedEx win the “Talent and Training for the Future” prize at the Choose France Awards ceremony in November 2023. The Choose France Awards are organized by Business France, the national agency for the internationalization of the French economy.

Alongside the direct and indirect impact of the company’s operations, FedEx continues to enhance services to support domestic and international trade in France. In December 2023, FedEx extended its FedEx® International Connect Plus (FICP) day-definite e-commerce service on the France-U.S. route to include the special category of beauty and personal care products, including perfumes. The U.S. is the main source of demand for French perfumes.²⁶ Extending the FICP day-definite e-commerce service to perfume and other beauty product shipments enables e-commerce businesses in France to meet their international customers’ needs with greater confidence.

²⁴ This sum does not include the cost of facilities rented by FedEx in the Île-de-France region and Oise department.
²⁵ FedEx Effect spotlight: Economic impact of the FedEx Express hub at Paris-Charles de Gaulle (https://www.fedex.com/content/dam/fedex/eu-europe/downloads/en-fr_pdf_na_CDG_impact.pdf)
²⁶ LSA et YouGov (Novembre 2023) (<https://www.lsa-conso.fr/exclu-lsa-les-francais-vont-ils-devaliser-les-parfumeries-a-noel,451881>)

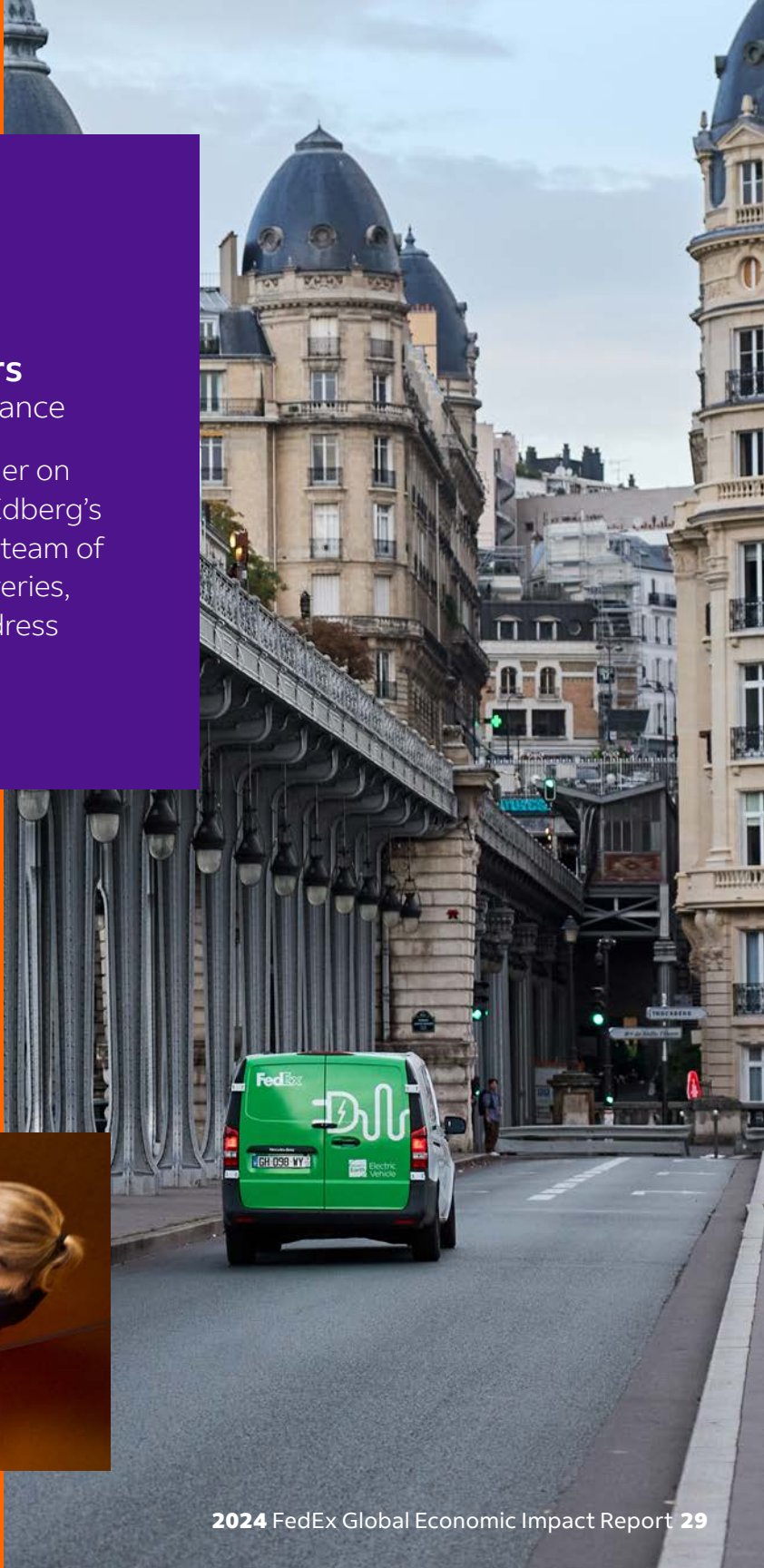


Edberg Sisomvong

Aircraft Handling Agent — 6 years
FedEx Charles de Gaulle Airport Hub, France

Moving packages from one place to another on time is the core of what FedEx does, and Edberg’s role is essential to that mission. He leads a team of eight who ensure timely and efficient deliveries, and he often makes quick decisions to address potential disruptions.

“FedEx invests in training and skills development, which has allowed me to acquire new skills and stay motivated every day. At FedEx, we have a culture of excellence, and you have plenty of opportunities for professional development.”



United Kingdom

FedEx has a major presence in the UK transportation industry, operating eight airport facilities, six road hubs, and a fleet of more than 4,000 vehicles to connect UK customers across the country and to the rest of the world.

In FY 2024, FedEx made several investments in the UK that will significantly enhance service for importers and exporters.

In FY 2024, FedEx announced the relocation of its air freight handling facility from Newcastle International Airport to Teesside International Airport, adding eight international inbound and outbound flights a week and creating capacity for 196,000 pounds of weekly cargo shipments. The move will help meet the UK's growing import and export demand and expand access to key global markets.

FedEx also launched a state-of-the-art import parcel sorting system at its London Stansted Airport (STN) facility to handle increased demand from UK importers. STN is the UK's third-largest cargo airport, handling more than 258,000 tonnes of cargo annually, and FedEx has invested \$25 million in facility upgrades to support cargo volume growth for the next 10 to 15 years. The new system can sort 6,000 packages per hour — double the previous system's sorting capacity — and includes technology to identify and redirect shipments subject to post-Brexit customs regulations to a separate area for smoother processing.

To improve customer service in the country's northwest corridor, FedEx expanded regular flight service to Manchester Airport, which will provide earlier deliveries and later collection cutoffs for shipments to Europe and the rest of the world. The new service will provide four inbound and four outbound flights through CDG and serve eight connecting stations across the UK. The service will also connect freight shipments and FedEx International Collect Plus shipments by road to STN and Heathrow Airport.



Spotlight: APAC

The economic strength of the Asia Pacific (APAC) region has expanded beyond large economies, such as Japan and China, into smaller countries in the region that are among the fastest growing economies in the world. International trade is driving much of this growth, as APAC continues to expand its role as a major global manufacturing center. Companies are increasingly looking to countries such as Vietnam to provide manufacturing services, particularly in the technology sector. At the same time, the APAC economy is also experiencing rising domestic demand from the region's growing middle class, which is creating new market opportunities close to home. As a result, 68% of APAC businesses said they see the greatest potential for growth in Southeast Asian countries such as Thailand, Vietnam, and Indonesia, according to a recent survey sponsored by FedEx.²⁷

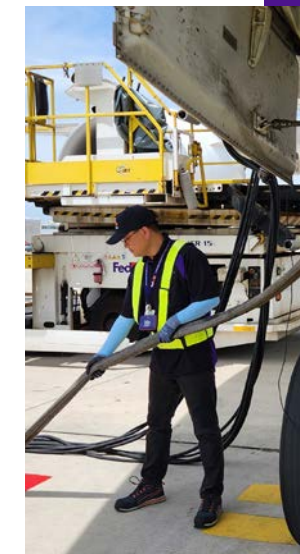
FedEx plays a critical role in facilitating commerce across the region through an air and ground network that spans 43 APAC countries and territories. The company operates its Asia Pacific air hub at Baiyun International Airport in Guangzhou, China and sub-regional hubs at Kansai International Airport in Osaka, Japan, Changi International in Singapore, and Pudong International Airport in Shanghai, China, providing rapid transit times within the region and between Asia and the rest of the world. In FY 2024, FedEx continued to modernize and expand its operations in APAC with developments such as an expansion of the company's international gateway at Shenzhen Baoan International Airport in China; a new regional headquarters in Singapore; and the announcement of expansion plans for the FedEx transshipment center at the Farglory Air Cargo Park at Taiwan's Taoyuan International Airport.

In FY 2024, FedEx directly contributed an estimated 0.2% to net economic output in APAC's Transportation, Storage, and Communications sector.²⁸ FedEx also indirectly contributed an estimated \$1.7 billion to the region's overall economy in FY 2024. The majority of that indirect impact came in the region's Transportation, Storage, and Communications sector²⁹ (an estimated \$500 million) and the Manufacturing sector³⁰ (an estimated \$540 million).

Sang-Geun Na

Lead Ramp Agent — 21 years
Incheon Airport, South Korea

Safety is a top priority at FedEx, and the focus for Sang-Geun in everything he oversees as a Lead Ramp Agent. By providing support and training to ramp agents as new systems and devices are introduced, he makes sure team members stay safe while delivering excellence for FedEx customers.



“Aircrafts are delicate. You need to be extremely familiar with all equipment used at the ramp to prevent damage. Having a deep understanding and closely following safety protocols and procedures is critical to prevent potential accidents or delays.”

²⁷ <https://newsroom.fedex.com/newsroom/amea/southeast-asia-emerges-as-top-growth-market-for-apac-region-according-to-new-fedex-survey>

²⁸ As defined by UNCTAD.

²⁹ As defined by UNCTAD.

³⁰ As defined by UNCTAD.

A closer look at select markets in APAC

China

Since entering the market in 1984, FedEx has continually invested in new infrastructure and service enhancements to support China's rapidly growing economy and connect the country with international markets.

In FY 2024, the company made several important improvements to its China operations.

In January 2024, FedEx opened a new and expanded China headquarters office in Shanghai. Integrating strategy development, planning and engineering, operations, marketing and sales, and financial management, the nearly 2,600-square-meter facility will support the company's long-term growth in China. The new headquarters is a next-generation office, with flexible co-working areas — rather than fixed, individual desks — and a variety of energy-saving technologies.

FedEx also upgraded the Shenzhen International Gateway, expanding its footprint by 48% to more than 4,500 square meters — doubling the sorting capacity for packages and documents and increasing freight handling capacity by 50%. These upgrades further improve import and freight operations and customs clearance efficiency to enhance the international competitiveness of customers in Southern China.

Earlier in FY 2024, FedEx broke ground on a new FedEx South China Operations Center that will enhance the Guangzhou Baiyun International Airport's status as a world-class international cargo hub. Scheduled to open in 2027, the 41,000-square-meter facility will be able to sort up to 25,000 packages and documents per hour — three times the

capacity of the current FedEx Guangzhou Gateway. In addition, FedEx launched a new flight from Qingdao in East China's Shandong Province to the U.S. via Osaka, Japan. The flight is currently operated every Wednesday, providing a one-day improvement in transit time for outbound customers in Qingdao and Shandong Province.

Besides these network improvements, the company also announced several new and improved services for customers.

- FedEx upgraded International Priority® service for exporters in Mainland China with delivery to major international markets and territories in one to two business days, shortening transit times by one day or more.
- The company also launched its FedEx Ship Manager™ Lite (FSM Lite) in Mainland China. FSM Lite is a mobile solution that creates a faster and more convenient paperless shipping experience by allowing customers to generate a shipment reference QR code from their mobile devices without having to create or sign in to a FedEx account. The solution integrates the FedEx online export declaration tool iClear to give customers the ability to complete shipment creation and export declaration simultaneously.
- Additionally, FedEx launched its Online Import Customs Declaration Tool in mainland China. This solution enables customers to submit trading data about low- and high-value shipments electronically. Once data is uploaded, the FedEx clearance team kicks off the review process in advance to minimize the risk of any customs clearance delays.





Singapore

FedEx has operated in Singapore for 40 years. Over those four decades, the company has played a vital role in helping local businesses, including small and medium enterprises and e-tailers, expand to overseas markets and support their transformation into global brands by providing high-value logistics and tailored shipping solutions.

FedEx has significantly expanded its network in the city-state by developing several important facilities. These include the FedEx South Pacific Regional Hub; the Life Science Center, which provides specialized cold chain solutions for the healthcare sector; the Center of Excellence for Data Analytics, which develops smart supply chain solutions; and the Asia Pacific Security Operations Center, which operates around the clock to safeguard FedEx assets and customer property in the region.

In FY 2024, FedEx further strengthened its presence in Singapore by opening a new regional headquarters at Centennial Tower in the central business district to support the company's APAC operations and enhance connections between the region and the rest of the world. The new regional headquarters occupies nearly 3,000 square meters and was built to prioritize sustainability. Roughly 80% of new materials meet local green-certification product standards, and the office uses energy-efficient electrical fixtures and automatic lighting controls to reduce electricity consumption.

In addition to this investment, FedEx launched several other initiatives in FY 2024 to enhance customer service and support Singapore's e-commerce market, which is expected to grow 10% annually through 2027.³¹

- The company added 800 new self-collection points from Ninja Van, a Singapore-based logistics company, to give e-commerce shoppers the option of collecting their FedEx packages at their preferred locations.
- To improve residential delivery services, FedEx launched Picture Proof of Delivery (PPOD) for packages that don't require signature upon delivery. With PPOD, both merchants and shoppers receive a photo of the exact location where the package is delivered, offering greater peace of mind.
- To provide greater access to its services, FedEx entered a memorandum of understanding (MoU) with Singapore Post (SingPost) in September 2023, enabling customers to drop off their cross-border shipments at selected SingPost offices across the city-state.

FedEx in Singapore also recorded another milestone in FY 2024 when it received the first-ever cross-border package delivery from Malaysia to Singapore with an EV. The event was recognized by the Malaysian Book of Records for the 'first zero emission cross-border delivery.' The trial shipment supports the company's goal of achieving carbon neutral operations by 2040, and FedEx is using insights gained from the 406-kilometer journey to assess the role for EVs in future cross-border pick-up and delivery operations in Singapore.

³¹ Statista (<https://www.statista.com/outlook/emo/ecommerce/singapore>)

Vietnam

Southeast Asia is fast becoming the world's fifth-largest economy.³²

The Association of Southeast Asian Nations (ASEAN) has a range of well-established manufacturing clusters, including in Vietnam, which has become a major global production hub for technology equipment, semiconductors, textiles, and more. As local businesses expand their reach abroad and exporters continue to grow, there is an increasing need for greater shipping capacity and faster transit times. In response, FedEx has significantly enhanced its services in Vietnam to support the country's continued growth as a global trade partner.

In FY 2024, FedEx added four new weekly flights from Ho Chi Minh City to the FedEx Asia Pacific Hub in Guangzhou, China to strengthen connections between southern Vietnam and the rest of the world. The new flights reduce transit times by one business day, allowing exporters in Vietnam to reach major Asian markets in one business day and some European markets in two business days. With this new service, FedEx now operates nine weekly flights out of Ho Chi Minh City, including four weekly flights to the FedEx South Pacific Hub in Singapore and one weekly flight to the Asia Pacific Hub.

FedEx also continues to be a key strategic partner to small- and medium-sized businesses in Vietnam, helping them address import/export challenges and customs procedures in global product delivery. Small- and medium-sized businesses in Vietnam that

integrate their systems with FedEx through compatible alliances achieve a more streamlined end-to-end delivery process, enabling more efficient deliveries, reduced shipping costs, and flexibility to respond to changing order volumes.

Beyond logistics, FedEx continues to contribute to the growth and development of the Vietnamese communities. In FY 2024, FedEx supported the future of Vietnamese entrepreneurship by sponsoring the twelfth edition of the FedEx/Junior Achievement International Trade Challenge (FedEx/JA ITC). More than 400 students participated, with one student becoming part of the winning team at the FedEx/JA ITC 2023 Regional Grand Finals. FY 2024 also marked the 13th consecutive year of collaboration between FedEx and the local non-profit VinaCapital Foundation on the "FedEx Delivers Heartbeats" Rural Outreach Clinic program. Since 2011, this program has screened more than 300,000 children in rural Vietnam for congenital heart defects, identifying nearly 7,700 previously undiagnosed cases.



³² Business Sweden (<https://www.business-sweden.com/contentassets/c5d9f4d114f14219a3f0be9c3ac80145/the-rise-of-the-southeast-asian-tigers.pdf>)

Spotlight: MEISA

The economies of MEISA are undergoing a rapid transformation. India continues to grow as a center for digital innovation and major exporter of natural resources products, technology and telecommunications equipment, and pharmaceuticals. At the same time, countries in the Middle East are diversifying their economies beyond petroleum production to become centers for transportation and logistics and emerging technology development. And despite economic challenges, Africa is home to the world's youngest and fastest-growing population and opportunities for rapid development.

FedEx is committed to enabling the ongoing growth of this region. The company's network reaches more than 80 countries and territories across MEISA and includes critical facilities for international trade, such as the new MEISA hub at Al Maktoum International (DWC) Airport, also known as Dubai World Central, in Dubai South and the recently modernized gateway facility at the New Delhi Cargo Complex in India. In FY 2024, FedEx continued to improve its services and infrastructure in the MEISA region to help businesses reach customers and expand global trade opportunities. For example, FedEx launched a new, less-than-container load (LCL) priority shipping service in the United Arab Emirates (UAE) that uses an integrated ocean and road network to provide cost-effective shipping solutions from APAC to the Middle East.

Through these services, FedEx directly contributed 0.1% to net economic output in the Transportation, Storage, and Communications sector³³ in the MEISA region. In addition, FedEx indirectly contributed an estimated \$280 million to the region's overall economy in FY 2024.



³³ As defined by UNCTAD.

A closer look at select markets in MEISA

United Arab Emirates

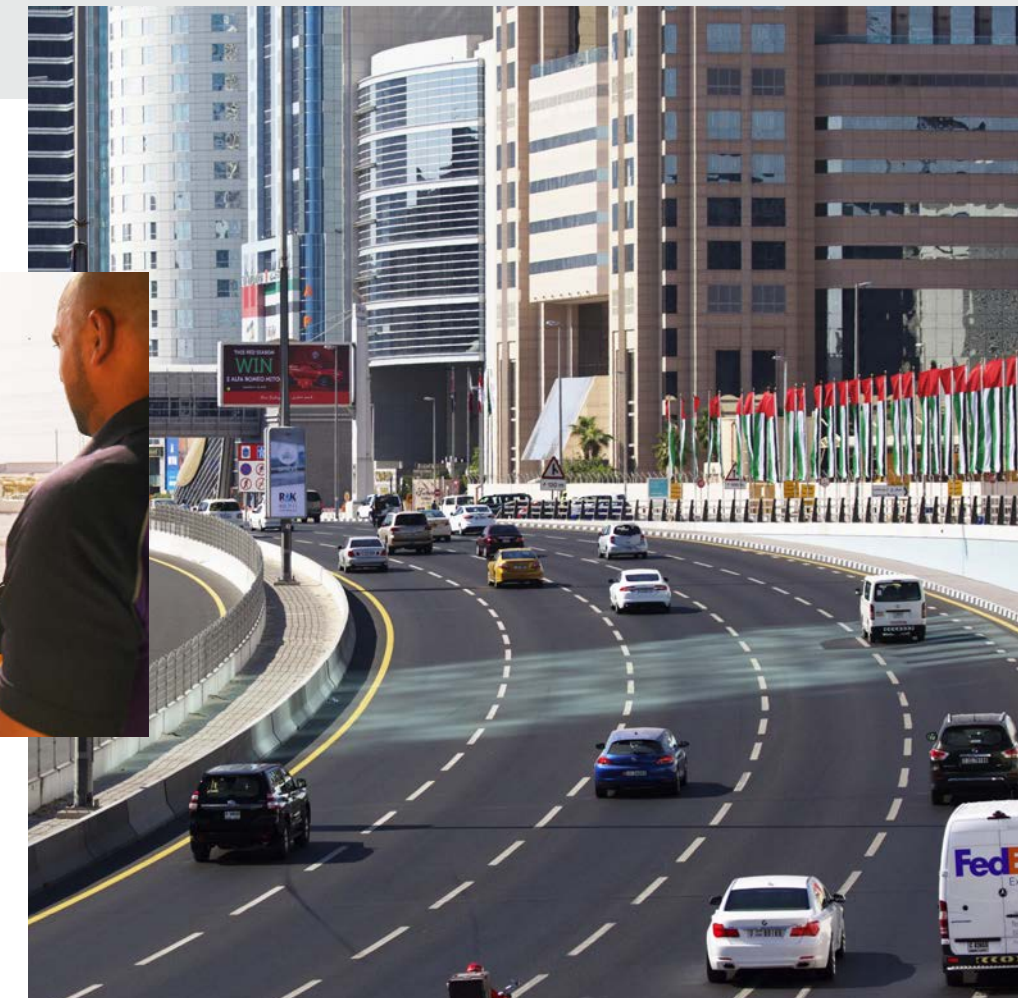
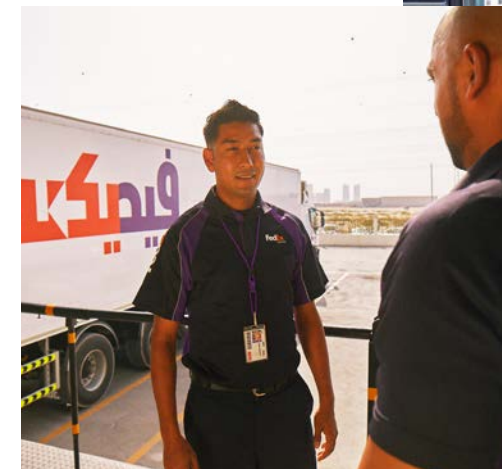
Dubai is home to the headquarters for FedEx in MEISA. In FY 2024, FedEx significantly expanded its regional footprint when it opened its state-of-the-art MEISA hub at DWC in Dubai South.

The \$350 million, 57,000-square-meter facility features advanced technology, including automated sort systems that process packages more efficiently and accurately. The facility also includes a 170-square-meter cold storage area to accommodate a range of temperature-sensitive shipments.

To support the company's sustainability goals, the new FedEx MEISA hub was built to comply with Dubai Municipality Green Standards — which aim to improve the performance of buildings in the city by reducing the consumption of energy, water, and materials.³⁴ It includes a building management system for energy efficiency, electric charging stations for FedEx and employee vehicles, and it will also feature solar power panels in the near future.



The new hub will help accelerate economic growth in two of the UAE's top sectors — aviation and logistics — and strengthen the country's position as a critical location for regional and international trade. Its innovations and efficiency will enhance connectivity within the MEISA region and provide a direct link to the FedEx global air network.



³⁴ Green Building Regulations & Specifications (https://www.dm.gov.ae/wp-content/uploads/2018/01/05_ENG_DCL_LawsLegislation_EngineeringSection_GreenBuildingRegulation.pdf)

India

Building on major facility investments that FedEx has made in India in recent years — including the opening of the new Delhi Export Facility in FY 2023 — the company continued to improve its portfolio of cross-border shipping services in FY 2024 to help Indian businesses tap into global markets. India has experienced significant growth in global trade, with overall exports reaching a record high of \$777 billion in FY 2024 and overall imports totaling \$855 billion.³⁵

To support exporters in India, FedEx improved the transit time for FedEx International Priority® shipments in FY 2024. Now shippers can reach major markets and territories around the world within two to three business days — at least a one-day improvement over previous transit times for major markets.

FedEx also launched the FedEx Import Tool (FiT) in India in FY 2024. This self-service platform streamlines the shipping process for importers by centralizing document management and shipment tracking in a dashboard that offers around-

the-clock monitoring; automatic notification to expedite the clearance process; a secure portal for uploading Know Your Customer³⁶ and customs clearance related documents; and the ability to pay customs duties and taxes online. FiT was developed in India, the result of ongoing efforts by FedEx to modernize supply chains and global commerce through digital technologies.

FedEx has focused on India as a key location for digital innovation and continues to make investments in the country to promote advanced technology development. For example, in FY 2024 FedEx committed \$10 million to the Indian Institutes of Technology (IIT) Bombay and IIT Madras to establish a globally recognized “Centre of Excellence” (COE), strategically located within the physical infrastructure on both IIT campuses. The COEs will foster research and development, nurture a dynamic talent pool by supporting fellowship programs for master’s and doctorate students, and catalyze the growth of India’s startup ecosystem.



Vishal Rastogi
Sr. Clearance Operations Manager — 6 years
FedEx Delhi Gateway, Delhi

Vishal’s role is crucial in ensuring customer shipments arrive on time and are cleared by customs on time, but the most rewarding part of his job is contributing to enhanced experiences and receiving positive customer testimonials.

“FedEx emphasizes upskilling and provides ample resources and training, which helps team members excel. Knowing that our efforts lead to tangible benefits for our customers is incredibly satisfying.”

³⁵ Government of India (<https://pib.gov.in/PressReleasePage.aspx?PRID=2017942>)
³⁶ Know Your Customer (KYC) is a mandatory procedure where entities are required to submit documents to verify the identity and address of the receiver. Whether an individual is sending a shipment to India or a company is sending bulk products, KYC documents must be submitted to the logistics carrier.



South Africa

FedEx has operated in South Africa since 1990 and has steadily increased its footprint in the country through direct investments and the acquisitions of Supaswift and TNT. Today, the FedEx network in South Africa includes its headquarters in Johannesburg, four gateway facilities supporting more than 200 inbound and outbound flights per week, and a fleet of nearly 240 vehicles.



In FY 2024, FedEx completed several initiatives to improve connections between South Africa and the rest of the world and to enhance the sustainability of its local operations.

FedEx installed a new screening machine at the imports gateway facility in Johannesburg to improve the customs inspection process. The screening machine allows customs officials to review the contents of a shipment without having to physically handle the package, reducing inspection time.

FedEx also consolidated four of its stations into a single hub in Johannesburg that incorporates sustainable technologies. Features include motion-activated lights to conserve energy and multiple rainwater collection tanks to reduce the company’s draw on municipal water sources.

To support the company-wide goal of transforming the entire FedEx pickup and delivery (PUD) fleet to zero-emission tailpipe vehicles by 2040, FedEx added 10 electric PUD vehicles to its fleet in Johannesburg. The new MAXUS eDeliver 3 vehicles can travel 240 kilometers on a full charge, while producing zero tailpipe emissions. They are the first EVs in the company’s South African fleet.



Empowering small businesses around the world

Throughout its history, FedEx has been an integral part of the small- and medium-sized business (SAM) sector. The extensive FedEx network is both a vital part of the global small business supply chain and a key distribution network for those companies. At the same time, FedEx directly contributes to the growth of smaller companies through its annual spending. In CY 2023, 90% of FedEx suppliers were classified as small business, and FedEx spending with those companies supported approximately 400,000 jobs at small businesses around the world.



FedEx designs its services to help businesses accelerate their growth and extend their global reach, which in turn supports local job creation and economic activity.

In FY 2024, FedEx continued to enhance its portfolio of SAM-focused services, including:

- Offering discounted packaging services and domestic/international shipping to smaller companies around the world.
- Partnering with leading e-commerce and brick-and-mortar companies to extend the reach of the FedEx network, such as adding third-party pick-up and drop-off locations to help smaller e-commerce companies better serve their customers. Notable collaborations include:
 - The expansion of self-collection points for import shipments at GS25 convenience stores across South Korea;
 - Offering FedEx services at 1,100 outlets in collaboration with 2GO, SM Business Centers, and Alfamart in the Philippines;
 - Launching more than 1,200 self-collection lockers at Manila Metro stations in collaboration with Airspeed;
 - And creating over 4,000 collection points across Poland in collaboration with nine major retailers.
- Forming alliances with private enterprises and government authorities to streamline importing and exporting. Notable collaborations include:
 - An alliance between FedEx in Korea and eBay CBT (Cross Border Trade) that provides cross-border e-commerce logistics services for Korean businesses expanding internationally;
 - An alliance with the Gyeongsangbuk-do provincial government in Korea to support local businesses expand their presence into global markets;
 - A collaboration with Mastercard and VISA in Thailand to empower global expansion for local SAMs;
 - An alliance with Zonos in Europe that combines Zonos' cross-border technology with the FedEx network to expedite cross-border shipments for SAMs by allowing shoppers to prepay all customs duties, taxes, and fees at checkout.
- Creating more shipping options for smaller businesses, such as the introduction of Regional Economy Services in the United Arab Emirates, Saudi Arabia, Bahrain, Kuwait, Oman, and Jordan, which offers cost-effective deferred day-definite road solutions for less urgent shipments transported within these key Middle East markets.
- Providing an extensive range of educational resources to help small businesses grow their operations, including how-to guides and articles on FedEx Small Business Hub websites; panel discussions and training sessions at industry events; the FedEx E-Commerce Learning Lab in partnership with Accion Opportunity Fund to help small businesses get started in shipping; the "Making it Work" podcast that features business advice from successful entrepreneurs; and the "Journey of Small Business Success with FedEx" YouTube channel, which highlights growth stories from real customers.
- Creating the FedEx Innovation Lab (FIL) in India, which makes early-stage investments in digital startups that are developing technologies for smarter, more efficient supply chains. The FIL's first investment was in Mad Street Den, a computer vision and AI company that has earned a reputation for delivering innovative AI solutions. The start-up's AI platform enables operations, product and technology teams to improve and optimize efficiencies. Their products are deployed across several industries, including retail, healthcare, finance, insurance, logistics, and more.
- Empowering small businesses through the "SME Connect" series to interact with subject matter experts from FedEx and the industry for solution-focused discussions that can add value to their businesses.



To further strengthen the global SAM community, FedEx launched its Small Business Grant Program 12 years ago to recognize innovative entrepreneurs and provide funding to help accelerate their growth. Since then, FedEx has offered versions of the program in the U.S., Canada, LAC, and APAC, and in FY 2024 awarded over \$1 million in prizes to more than 60 companies.

- In the U.S., 10 companies received a total of over \$230,000 in cash and prizes. The \$50,000 grand prize winner was Bombi, an eco-conscious stroller company that incorporates 50 recycled plastic bottles in its stroller fabric, uses no-single-use plastics in their packaging, and donates to foundations for every stroller sold.
- In Canada, 16 winners received a total of \$150,000 in cash prizes, including The Original Maple Bat Company, which sells custom maple baseball bats all over the world and received the grand prize of \$25,000.

- In LAC, 33 companies from seven countries received more than \$575,000. Winners included Chilean brewery Cerveza Atrapaniebla, which produces craft beer using water droplets collected from fog; Brazilian clothing company Equal Moda Inclusiva, which produces conventional and adapted items for people with various types of disabilities; and Mexican company Suul, which offers an alternative to traditional detergent to reduce plastic pollution.
- In APAC, four companies from Indonesia, Malaysia, Philippines, and Singapore shared a total prize pool of \$69,000. The \$30,000 grand prize winner was Lucence, a precision oncology start-up from Singapore that is developing non-invasive tests that aim to accurately diagnose cancer.



FedEx Cares

Direct and indirect contributions from FedEx business activities represent a portion of the positive impact that FedEx has around the world. The company also upholds its purpose to connect people and possibilities through the FedEx Cares global community engagement program. Every year, FedEx Cares promotes charitable giving, employee volunteer efforts, and in-kind shipping services that help support the communities the company serves. In FY24, FedEx contributed \$55 million in total charitable contributions around the world.

Examples of FY 2024 charitable donations around the world included:

- For more than 30 years, FedEx has helped Direct Relief distribute pharmaceuticals from its warehouse in Santa Barbara, California to a network of more than 15,000 community health centers and free and charitable clinics that provide access to healthcare for uninsured and underinsured people in communities across the U.S.
- FedEx continued to support regional Junior Achievement (JA) programs around the world and received a silver U.S. President's Award from the organization for volunteering more than 5,000 hours of service during the 2022-2023 school year. The company's support included sponsoring regional entrepreneurship competitions in all six JA regions, including sub-Saharan Africa, the Americas, Asia Pacific, Europe, the Middle East and North Africa, and the U.S.
- FedEx in Canada sponsored Orbis Canada's Plane Pull for Sight fundraising campaign, consisting of events in Toronto, Calgary, and Vancouver that raised more than \$300,000. Orbis's mission is to end avoidable blindness and create a world where everyone can access the eye care they need to thrive.
- In the UK, FedEx donated a new Incident Response Unit to the Salvation Army at Rochester Fire Station. It is the 23rd vehicle FedEx has donated to The Salvation Army across the world since 2006.
- FedEx locations in Brazil and India participated in uniform upcycling programs that transformed old FedEx uniforms into school bags and blankets for donation to children in underserved communities. In Brazil, the blankets were also donated to pets for adoption. FedEx also collaborated with local organizations in Mainland China and Hong Kong SAR to transform retired uniforms from employees into sustainable products including crossbody bags, fanny packs, and low-carbon alternative fuels.
- FedEx supported several programs around the world to advance the careers of women in STEM fields. Examples include a grant to the She Code Africa Academy Program to kickstart careers in tech for nearly 90 women aged 18-45 across 20 African countries; donating \$35,000 to support education costs for 60 women enrolled in engineering and science courses at the Polytechnic University of the Philippines; and organizing a career development workshop at the FedEx Hyderabad office in India, focused on web application development, data analytics, AI, and communication skills for enhancing job readiness.
- FedEx in India continued to support the Akshaya Patra Foundation's efforts to adopt sustainable modes of transportation by donating seven EVs to the NGO in Panvel, Delhi, and Narsingi. The company also helped the organization provide meals for 550,000 school children.
- In Indonesia, FedEx donated computers and software programs to students from underprivileged communities in Jakarta. And, in the Philippines, FedEx donated bicycle repair stations to support the government's drive to promote cycling in Clark, Pampanga.



Examples of FY 2024 team volunteering across the globe included:

- The FedEx Cares Purple Tote Campaign collected nearly 4,700 purple totes, often filled with food, school supplies, or basic necessities, for more than 50 non-profit organizations (NGOs) across APAC, MEISA, Canada, and Europe. More than 3,200 FedEx team members in nearly 30 countries participated in the campaign, selecting local NGOs to receive donations.
- In FY 2024, more than 2,000 FedEx team members around the world volunteered in efforts to clean beaches, plant trees, and protect their local environment. Teams planted trees in Australia, Canada, Mainland China, Greece, Germany, Hungary, Malaysia, the Netherlands, Portugal, Turkey, the UAE, the UK, and the U.S.; helped turn a former landfill in Delhi into an urban forest pocket and revitalized Mumbai's Masina Healing Forest; planted trees along Singapore's Siglap Linear Park; helped to reforest Khun Dan Prakarn Chon Dam in Thailand; and planted trees and installed birdhouses in Seoul, Korea. Since FY 2005, FedEx has also donated \$20 million to conservation-related non-profits.
- In Malaysia, FedEx collaborated with Treat Every Environment Special (TrEES) to grow vegetables in an urban vegetable garden for distribution to underprivileged communities. The four-month program involved more than 60 FedEx volunteers planting vegetable seedlings, maintaining the garden, harvesting, and delivering vegetables to people and care homes to improve food security.
- In Mainland China, FedEx continued its library program to cover 17 primary schools in underprivileged rural areas and setting up reading rooms or book corners for 10 schools. In addition, the program provided local children with a wider range of reading resources by second-hand book donations, as well as picture books and reading kits. More than 100 employees volunteered in the program.
- FedEx volunteers across Europe teamed with Rise Against Hunger to pack 3,560 boxes of food for Ukrainian refugees and people in need in Europe, and 32,400 meals for school food programs in Kenya, Zambia, and Zimbabwe.
- FedEx Australia employees conducted a food drive to support Foodbank Australia in their fight against hunger. The FedEx team delivered 158 kilograms of essential products, including cereal, pasta, and tinned meals, contributing to 248 meals for people in need. FedEx Australia volunteers also cleaned up waterways across cities, retrieving 3,300 pieces of litter and collecting approximately 119 kilograms of rubbish to preserve Australia's coastal habitats and protect marine ecosystems. Additionally, volunteers in Australia planted 3,200 native trees with local NGO and community members in Sydney and Perth in an effort to help protect the environment.
- In March 2024, 131 FedEx volunteers in the UAE, Bahrain, and India participated in #Let'sGoGreenWeek, collecting and properly disposing of approximately 559 kilograms of trash.
- During Ramadan, more than 100 team members in the UAE and Egypt packed and delivered more than 2,300 food packages for those in need.
- In Memphis, more than 150 team members volunteered at the sixth annual FedEx Cares/USO holiday packing event for U.S. military service members. The team assembled 13,326 holiday care packages that included candy, snacks, holiday socks, decks of playing cards, lip balm, and more. FedEx then delivered those packages to U.S. service members' stationed in remote locations in the Pacific.



Examples of FY 2024 in-kind shipping included:



The FedEx Delivering for Good program leverages the company's vast transportation network to aid in disaster relief and support other charitable causes or special shipments.

- In November 2023, FedEx transported three giant pandas — Mei Xiang, Tian Tian, and their three-year-old cub Xiao Qi Ji — from Washington, D.C. to Chengdu, China. The pandas traveled in custom-built transport enclosures provided by FedEx and were accompanied by animal care experts.
- FedEx worked with Desafío Levantemos Chile to deliver 40 tons of donations in areas affected by fires, floods, and other emergencies. One of the most significant collaborations was the transportation of essential supplies for the reconstruction of the Rural Medical Station in Santa Juana, which was damaged in the forest fires that struck Chile in the summer of 2023.
- FedEx team members in the U.S., Canada, Puerto Rico, Chile, and Argentina collaborated with Operation Warm to deliver more than 18,600 new coats and 8,700 pairs of shoes to children in need. Additionally, utilizing their FedEx in-kind shipping allocation, Operation Warm delivered another 200,000 new coats and shoes to help kids in need across the U.S. & Canada.



For more on how FedEx contributes to local communities, read the **2023 FedEx Cares Report.**

- With support from FedEx, GlobalMedic delivered more than 50 tons of aid across Canada as part of its Grassroots Revolution, a suite of programs that address chronic emergencies. The deliveries included food, medical supplies, and hygiene items for Hurricane Fiona victims in Atlantic Canada, support for domestic Emergency Food and Hygiene Hub programs, and fire skid units for British Columbia's forest fire relief.
- In Europe, FedEx provided roughly 600 shipments for five charities, including the delivery of 40,000 booklets for F@MU Families at the Museum in Italy, who organizes National Family Day at the Museum, 800 disaster readiness kits for the Netherlands Red Cross, 1,110 boxes of food and campaign materials for Rise Against Hunger activities in Spain, France, and Greece, - and football kits to 13 NGOs in 14 locations around Europe for the UEFA Foundation for Children.





Delivering a more sustainable future

FedEx works hard every day to make global supply chains smarter for everyone by leveraging advanced technologies to help optimize logistics. These efforts have a natural alignment with the company's longstanding work to improve the efficiency and sustainability of its operations.

Between FY 2009 and FY 2023, FedEx reduced its carbon dioxide equivalent emissions intensity on a revenue basis by 48%, even as volume grew by 121%. Further, the company continues to address the challenges presented by climate change as it works toward a goal of carbon neutral global operations by 2040, guided by our strategy: decarbonize what's possible, co-create with purpose, and neutralize what's left.

FedEx is determined to continue making progress on its operational goals while also providing direct investments and advocacy to promote sustainable technologies and practices that will help transform the transportation and logistics sector.³⁷

Transportation fleets and fuels

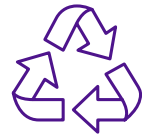
Electrification offers a significant opportunity to reduce the environmental impact of the FedEx global fleet, which includes more than 200,000 motorized vehicles across several vehicle classes. FedEx has set a goal of transitioning its entire parcel pickup and delivery (PUD) fleet to zero-tailpipe emission vehicles by 2040. In addition to these fleet electrification efforts, FedEx is working to reduce emissions from road and air transport by incorporating cost-effective alternative fuels and modernizing its fleet.

- In FY 2024, FedEx added EVs in several markets, including EVs and zero-tailpipe emission motorcycles in Brazil, and dozens of EVs across markets like Canada, Chile, Spain, the UK, the Netherlands, the UAE, and U.S. Since first deploying EVs in Mainland China in 2018, FedEx has electrified 20% of its PUD fleet in the country.
- In February 2024, FedEx made history by completing the first delivery of a cross-border package via an EV from Malaysia to Singapore. The historic journey was 252 miles and avoided approximately 220 pounds of tailpipe CO2 emissions when compared to making the same journey with a diesel-powered van. The attempt was recognized by the Malaysian Book of Records for “First Malaysian Zero Emission Cross-Border Delivery.”

- FedEx continued to build out charging stations at its facilities worldwide in FY 2024 — including the U.S., Spain, Canada, the UK, and the UAE — to support the ongoing electrification of its parcel PUD fleet and to enable greater EV adoption by the company’s independent service providers.
- FedEx expanded its fleet of e-cargo bikes in FY 2024, adding eight four-wheeled e-cargo bikes in the UK to replace six conventional diesel vans, introducing five commercial electric tricycles to its PUD fleet in Taiwan, and a new e-cargo bike model in Canada.
- In 2023 and early 2024, FedEx Freight in the U.S. took delivery of 36 Class 7 and 8 heavy-duty EV trucks.
- To expand its use of low-carbon fuels, FedEx launched a trial for long-haul vehicles running on hydrotreated vegetable oil, a renewable diesel, in the UK.
- FedEx continues to pursue its ongoing air fleet modernization strategy, which replaces older aircraft with more fuel-efficient models to reduce GHG emissions, air pollution, and local noise pollution. In FY 2024, FedEx permanently retired 31 jet aircraft from the company’s fleet. The company also added 10 new 767s and four new 777s, which are more fuel efficient than the aircraft they replaced. Since 2005, these fleet modernization efforts have helped reduce the overall emissions intensity of the FedEx air fleet by 29%, as of FY 2023.



³⁷ This section includes a preview of FedEx sustainability achievements and advancements from FY 2024. A comprehensive summary of enterprise-wide sustainability data for FY 2024 will become available in the next iteration of the FedEx ESG Report, set to be published in CY 2025.



Sustainable facilities

When building or expanding facilities, FedEx includes programs and technology to manage waste, conserve water, and reduce the carbon footprint of its operations.

In addition to the facilities and projects highlighted in the regional spotlight sections of this report, other notable projects from FY 2024 include:

- FedEx opened its refurbished gateway at the Adolfo Suárez-Madrid Barajas Airport, which includes a 156-panel solar array that is estimated to produce approximately 95 megawatt hours of electricity annually. The panels will produce about 17% of the facility's energy needs. Other sustainable features include LED lighting and a smart water management system to reduce water use.
- FedEx in Mainland China launched a “GoGreen” contest — in which more than 11,000 FedEx team members participated — to save water, electricity, fuel, and paper in day-to-day operations.
- FedEx opened its Asia Pacific headquarters in Singapore, using green-certified renovation products. About 80% of the new materials meet local certification standards. Additionally, the building features energy-efficient electrical fixtures and automatic lighting controls to reduce energy consumption.
- FedEx China's new headquarters in Shanghai, which opened in January 2024, utilizes a variety of leading energy-saving technologies and facilities, notably LED sensor lights in work areas that automatically adjust lighting levels based on employee density and needs. The facility is LEED (Leadership in Energy and Environmental Design) Gold certified.
- In Thailand, FedEx collaborated with N15 Technology to turn more than 120 kilograms of waste — such as plastic wrap, label stickers, and paper cores — into refuse-derived fuel.
- In Morwell, Australia, FedEx opened a new shipping station equipped with sustainable building features to reduce impact on the environment, including energy-saving LED lighting and a system to collect and reuse rainwater on site.



Empowering customers and communities

Along with efforts to reduce the environmental impact of its business operations, FedEx also provides tools to empower customers that are working toward their own sustainability goals and deploys resources to support emerging climate technology solutions and more sustainable communities.

- First launched in the U.S. in May 2023, FedEx® Sustainability Insights is now available in 34 languages and in more than 100 markets around the world. The tool allows customers to estimate the carbon footprint of their eligible shipments within the FedEx network, supporting their own emissions reporting.
- FedEx and the World Resources Institute have been teaming up since 2010 to create what is now the Mobility and Accessibility Program (MAP). MAP is helping cities around the world transform their public transportation systems, making them safer, more efficient, and more sustainable. Now in its 15th year, MAP has impacted more than 23 million people while avoiding over 1 million MT CO₂e. Key programs include the expansion of Mobility-as-a-Service into Shanghai, supporting India's pledge of 50,000 electric buses by 2027, and significantly improving accessibility and safety with 2,000 new bus shelters in two Brazilian cities.

- For the second year in a row, FedEx funded EIT Climate-KIC's Sustainable Cities Mobility Challenge in Europe. In FY 2024, five cities across Spain, Portugal, the Netherlands, and the UK were selected to receive funding for projects that support the transition toward cleaner, greener, and more people-friendly transport.



For more information on FedEx sustainability efforts worldwide, see the **2024 ESG Report**.



Endnotes:

2024 Economic Impact Report Disclaimer

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¹<https://www.worldbank.org/en/topic/smefinance>





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