

FedEx®

THE MARKET

More than 30 years ago FedEx created a new market when it began providing customers access to next-business-day delivery services. Chairman, President, and CEO Frederick W. Smith founded the company with a solid purpose and vision: help commerce move faster and more efficiently. As FedEx grew, it did just that. The company helped more people and businesses around the world connect with the global marketplace.

In 1978 Fred Smith was famously quoted as saying, “The information about the package is just as important as the package itself.” Since that time FedEx has been providing customers access to timely and accurate information, and it has enabled new supply-chain models and efficiencies. This unprecedented access to information is connecting customers around the world to economic markets and communities.



Today FedEx connects more than 220 countries and territories in responsible and resourceful ways.

Smith credits the company’s more than 290,000 team members around the globe with much of its success. The founder explains that the FedEx team is pioneering new technologies that make the company’s systems, vehicles, and routes more efficient. His team members are helping the company and the world achieve more with limited resources.

According to Smith, “In a truly global economy, prosperity depends on global connections. We make those connections happen reliably, millions of times every day.”



ACHIEVEMENTS

FedEx was the first company dedicated to express package delivery and the first to offer a money-back guarantee. In the services category, FedEx was the first to win the Malcolm Baldrige National Quality Award, and in 2010 the shipping carrier was added to the Dow Jones Sustainability Index North America.

The company’s creative, open culture has gained wide recognition and admiration. In 2010 FedEx continued a long tradition of being named one of the most admired and best companies to work for in the world, receiving 26 awards in 21 different countries, including Brazil, Chile, France, Italy, South Korea, and Mexico.

Two FedEx operating companies also received recognition in 2010. FedEx Express earned a World Air Cargo Award for International Express Operator of the Year, and FedEx Freight was named Multi-

Regional Carrier of the Year by the National Shippers Strategic Transportation Council (NASSTRAC).

HISTORY

What began in 1973 as a U.S. overnight shipping business in Memphis, Tennessee, has expanded into a global logistics powerhouse in 2011.

FedEx believes you need a world full of connections to catalyze commerce. And since Federal Express became FedEx, the company has capitalized on every opportunity to connect the world. Today it continues to expand its service network into new territories — from worldwide shipping and trade to professional

business services in the United States and abroad.

THE PRODUCT

FedEx provides customers and businesses worldwide with a broad portfolio of shipping, e-commerce, and business services. With annual revenues of \$38 billion, the company offers integrated business applications through operating companies competing collectively and managed collaboratively under the respected FedEx brand. Consistently ranked among the world’s most admired and trusted employers, FedEx inspires its more than 290,000 team members to remain “absolutely, positively”

focused on safety, the highest ethical and professional standards, and the needs of its customers and communities.

As a company FedEx believes its impact is greater than the services it provides. FedEx is committed to being a great place to work, a thoughtful steward of the environment, and a caring citizen in the communities where its team members live and work. Today the company is recognized as a leader in sustainability, a critical player in the global economy, and a catalyst for connecting people and places, all working together to improve the quality of life for customers and members of the community.

RECENT DEVELOPMENTS

FedEx is a worldwide network of companies. Independently, each company offers flexible,





GREEN FOCUS

FedEx is committed to providing global connections while minimizing environmental impact. The company has integrated responsible environmental practices into daily operations, and it continues to set goals that challenge the organization and its team members to increase efficiencies and reduce waste.

Efforts have paid off. The company has made significant progress toward key sustainability benchmarks, such as reducing emissions, increasing fuel efficiency, and exceeding renewable energy goals.

FedEx has organized its efforts into an enterprise-wide sustainability initiative called EarthSmart®. EarthSmart delivers innovative and environmentally sensitive solutions through company services and physical assets. It also encourages sustainable workplace practices and opportunities for team members to engage in community outreach efforts, all for a more sustainable world.

FedEx products, services, programs, and physical assets — including vehicles, facilities, and customer innovations like FedEx paperless processing — have earned the highest EarthSmart designation for meeting strict, quantifiable environmental standards. The designation is awarded only for going beyond standard industry practices to demonstrate clear and tangible benefits to business, the environment, customers, team members, and local communities.

EarthSmart includes workplace initiatives that engage FedEx team members to improve business practices that will significantly contribute to the environmental sustainability of the company. EarthSmart outreach efforts invest philanthropic dollars and volunteer hours in local communities, focused on building more sustainable cities, shipping systems, and ecosystems around the world.



specialized services that represent the broadest array of supply-chain, shipping, business, and related information services.

The eight FedEx operating companies are FedEx Express, FedEx Ground, FedEx Freight, FedEx Office, FedEx Custom Critical, FedEx Trade Networks, FedEx SupplyChain, and FedEx Services.



FedEx helped engineer the first hybrid trucks, and by 2005 had 18 hybrid trucks on the road. FedEx shared the knowledge with the entire shipping industry, and by the end of 2010 there were 1,745 hybrid delivery trucks on the road in the United States, used by a variety of competing companies.

FedEx became the first U.S.-based all-cargo company in the shipping industry to add the Boeing 777F to its aircraft fleet in 2010, which helped move more freight to more distant markets while simultaneously reducing emissions by 18 percent.

Whether it is through web services, alternative energy practices, or the development of new technology, FedEx sees innovation as a strategic

business practice that is continuously enhanced, developed, and encouraged. It's what keeps the company in front of the marketplace.

PROMOTION

FedEx is known for its award-winning advertising and prestigious sports sponsorships. In many ways, FedEx is synonymous with reliability, speed, leadership, excellence, and global reach. Those attributes are also reflected in the company's sponsorships and emphasized in its advertising.

The most recent FedEx brand campaign touts business solutions. From basic shipping and printing, delivered overnight or under budget, to full-service, strategic supply-side management, FedEx has the resources and the scale to help businesses meet their goals. No matter what the business needs, FedEx understands.

Speed, teamwork, and precision — FedEx has a lot in common with championship-caliber sports. And that connection is reflected in its sports sponsorships, from FedExCup® to FedEx Racing®.

BRAND VALUES

The FedEx brand is built on firmly held beliefs. Every day the company strives to be connected, dynamic, committed, and innovative, and to excel at everything it does.

Connected. FedEx competes collectively, connecting its brand, cultures, and successes through a global network of people, systems, and technologies. The company is constantly interacting with customers, team members, and communities to identify and connect new markets, new geographies, and new ways of doing business.

Dynamic. FedEx believes its dynamism is a function of its team members' diverse backgrounds, talents, and perspectives. The company never rests — daily delivering what matters most to its customers, communities, and team. FedEx understands that the world is always evolving, so it must change, too, never standing still or resting on its laurels.

Committed. FedEx believes it should be judged by the promises it keeps. The company is committed to making every FedEx experience outstanding, doing whatever it takes to get the job done, and responding responsibly.

Innovative. FedEx champions new ways of doing business to ensure success. Rather than being content with the status quo, its team members challenge convention, push themselves, and redefine what's possible.

Excelling. FedEx raises the bar daily. The company believes it wins when its customers win. Its team members are passionate

about leading the industry and strive to exceed the expectations of customers, shareholders, and even themselves.

THINGS YOU DIDN'T KNOW ABOUT FEDEX

- FedEx delivers 8.5 million shipments daily to more than 220 countries and territories.
- The 2010 "Panda Express" Boeing 777F made a 14.5-hour nonstop flight to transport giant pandas Tai Shan and Mei Lan from Dulles International Airport in Washington, D.C., to Chengdu Airport in China.
- The FedEx website, fedex.com, averages more than 23 million unique visitors monthly and more than 6 million package tracking requests daily.
- In response to the 2010 Haiti earthquake, FedEx provided more than \$1.8 million in in-kind shipping and cash support — more than 1 million pounds of shipments.
- FedEx responded to the 2011 Japan earthquake and tsunami with \$1 million in cash and in-kind support toward relief efforts. FedEx also aligned with other organizations to provide \$500,000 in grants and an additional \$500,000 in shipping of aid and supplies.
- FedEx Office operates more than 2,400 locations worldwide, with more than 200 in the United States open 24 hours a day, 7 days a week.