

FEDEX APPROACH TO SUSTAINABILITY

FEDEX IS COMMITTED TO REDUCE OUR FOOTPRINT WHERE WE HAVE THE GREATEST ENVIRONMENTAL IMPACT

- ◉ Expand on-site renewable energy generation and procurement of renewable energy credits
- ◉ Integrate responsible environmental practices into our daily operations and are committed to responsibly connecting the world
- ◉ Continuously work toward goals to increase vehicle efficiencies and reduce emissions in big and small ways that are sustainable and long-lasting

THE FEDEX PICKUP-AND-DELIVERY VEHICLE FLEET FOLLOWS AN APPROACH TO IMPROVE VEHICLE FUEL EFFICIENCY 20 PERCENT BY 2020

- ◉ Replace vehicles with efficient technology that is available now
- ◉ Revolutionize through investing in innovative technologies that we hope and believe can be vehicle workhorses for the future
- ◉ We are investing in lower polluting, fuel efficient vehicles (EVs, Composites, Hybrids, Sprinters)

THE KEY IS TO USE THE RIGHT VEHICLE FOR THE MISSION ON THE RIGHT ROUTE

- ◉ Carefully selecting the right technology for the right routes
- ◉ Start and stop dense = EV for regenerative braking and battery conservation
- ◉ FedEx invests in new technology to help spark the market growth for affordable, cleaner delivery vehicles

FEDEX IS INVESTING IN INNOVATIVE TECHNOLOGIES THAT WE BELIEVE CAN BE VEHICLE WORKHORSES FOR THE FUTURE

- ◉ All-electric vehicles: Not a converted vehicle. Not a hybrid.
- ◉ FedEx Express is expanding its all-electric fleet from 43 to 130
- ◉ The vehicles are being deployed in Asia, Europe, and around the U.S.
- ◉ Growing the diversity of suppliers we use for electric vehicles
- ◉ Not just an expansion in vehicle count, these vehicles will be studied to help evolve all-electric vehicle technology

FEDEX IS INVESTING IN NATIONWIDE ENERGY-SAVING INITIATIVES

- ◉ New York (working in conjunction with GE and Columbia University's Engineering School)
- ◉ Chicago
- ◉ Memphis (retrofitting existing vehicles)
- ◉ Los Angeles
- ◉ Washington, D.C.

FEDEX AND ALTERNATIVE ENERGY VEHICLES

- ◉ These trucks have no exhaust, and when powered by carbon-free electricity – such as wind, bio-gas, hydro, geothermal, solar, or nuclear – electric vans are zero-emission vehicles.
- ◉ The vehicles have a range of up to 100 miles that allows many FedEx Express couriers to make a full 8-hour shift of deliveries before needing recharging. At the end of the shift, the vehicles can be fully recharged in just six to eight hours.

IN TERMS OF ELECTRIFICATION AS A MEANS TO U.S. ENERGY SECURITY

- ◉ Reducing our oil dependence also means that potential competition with other countries for those resources is less dangerous.
- ◉ Transportation consumes 70% of oil in the US
- ◉ At FedEx we are reducing our dependence on foreign oil by:
 - Greatly improving efficiencies among vehicles, aircraft, facilities
 - Looking at all-electric vehicles for short haul transportation, natural gas for long haul transportation and biofuels in our air fleet

**FEDEX AND
ELECTRIC VEHICLES:
MAKES GOOD
ECONOMIC,
ENVIRONMENTAL,
AND SOCIAL SENSE**