Federal Express Ecosystem

Federal Express
942 South Shady Grove Road
Memphis, Tennessee 38120
Phone:800,463,3339 Website: www.fedex.com

Outside Relationships

Regulators

Subjects of Substantive Business Regulation

Environment

- U.S. Foreign Environmental Protection Agencies (Regulation of Aircraft Noise, Greenhouse Gas Emissions, Disposals, Storage of Hazardous Waste; Superfund Cleanup Requirement for Contamination)

Tax, Data, Labor

- U.S. Internal Revenue Service (IRS); State Tax Authorities (Regulation of Income Taxes, Indirect Taxes, Payroll Taxes, Franchise Taxes, Withholding Taxes, and Ad Valorem Taxes)
- Data Protection Agencies (Personal Data Protection Regulation, including Penalties)
- Railway and National Labor Relations Law (Railway Labor Act Regulation of Unionization, Collective Bargaining for FedEx Express; Disputes Heard by National Mediation Board; National Labor Relations Act Regulation of Other FedEx Businesses)

Export Controls, Customs

- U.S. Department of Commerce (Export Administration Regulation of Articles That May be Shipped)
- Customs Agencies (U.S. Customs and Border Protection and Transportation Security Agency (TSA) regulation of Customs Brokerage and Security Activities; U.S. Maritime Commission Regulation of Ocean Freight Forwarding; DOT Regulation of Air Freight Forwarding)

Air Transport

- Federal Aviation Authority (FAA) (Regulates Operational Aspects of Air Transport—e.g., Aircraft Standards and Maintenance, Personnel, Ground Facilities; Certification of Air Carriers)
- U.S. Department of Transportation (USDOT) (Authority Over Aviation Routes and Route Transfers to Other Carriers; Certification to Authority to Transport Property and Mail Domestically and Globally)
- TSA (Aviation Security Regulation)
- U.S. Department of Defense (DOD); Civil Reserve Air Fleet (Authority to Requisition Aircraft in National Emergency)

Ground Transport

- FAA (Regulation of Rates, Routes, Services of Intermodal All-Cargo Air Carriers and Motor Carriers)
- USDOT: Federal Motor Carrier Safety Administration (Oversight Authority Over Motor Carriers; Safety, Vehicle Weight and Dimensions Regulation)

International Transport

- USDOT and Foreign Governments (Regulation of International Cargo and Mail Carriage under Bilateral Agreements with Foreign Government; Foreign Government Approval of Flights, Services, Postal Regulations)

Communications

- Federal Communications Commission (Regulation of Use of Radio in Aircraft and Ground Transport Operations; Satellite Communications Licensing)

Capital

- Public Debt Holders
- Commercial Banks
- Hedge Counterparties

Suppliers

Selected Suppliers

- Akami Technologies (Internet and Web Services)
- Bemis Co (Packaging Products)
- Ford Motor (Vehicles)
- Cessna (Aircrafts)
- Boeing (777 Freighter and 767-300 Freighter Aircrafts)
- Forest Stewardship Council (Paper Products)
- Raytheon Technologies (Technology)
- Refined Petroleum Products Producers (Jet Fuel)

Global Service Participants

- Independent Agents
- Couriers
- Subcontractors

Labor Unions

- Air Line Pilots Association, International (ALPA)
- International Brotherhood of Teamsters (Teamsters)

- U.S. Postal Service (as Customer: Air Transport of USPS First Class Mail, Priority Mail Express, and Priority Mail; as Supplier: Package Delivery Services)

Customers

FedEx Express Customers

- Individuals
- Family Households
- Small Businesses
- Government Agencies
- Mid-Size and Large Corporations

Bond Financing

Working Capital Financing

Foreign Currency and Interest Rate Derivatives

Substantive Business Regulation

Jet Fuel, Vehicles, Aircraft, Information Technology, Packaging, and Other Supplies

Local Package Pick-Up and Delivery Completion Services (in Certain Instances)

U.S. and International Sales of Expedited Package Delivery and Consulting Services

Labor Union and Collective Bargaining Representation

Airport-to-Airport Transportation

Last-Mile Delivery Services for FedEx SmartPost Packages

FedEx Corporation (a Delaware Corporation)

Debt Structure

Debt ($ 36.12 B @ Feb 2021)

- $250 M Revolving Credit Facility (31/05/2020)
- [$____Term Loan(Matures 20___]
- [$0 Commercial Paper Program in 05/31/2020]

Credit Ratings: S&P (BBB) and Moody's (Baa2)

2022 Senior Notes (0.7%)	2023 Senior Notes (1.00%)	2025 Senior Notes (0.45%)	2031 Senior Notes (1.3%)	2027 Senior Notes (1.65%)

Equity Structure

Equity

Preferred Stock	*2016 Share Repurchase Program*	*Common Stock*
Authorized: 4 Billion Issued: 0 Record Holders: None	Authorized: 25 Million Expiration: None Balance: 5.1 Million	Authorized: 804 Million Issued: 318 Million Record Holders: 11,643

Governance

Board of Directors

Marvin Ellison	Susan Patricia Griffith	John C. Inglis
Kimberly A. Jabal	Shirley Ann Jackson	R. Brad Martin
Joshua Cooper Ramo	Susan C. Schwab	Frederick W. Smith
David P. Steiner	Rajesh Subramaniam	Paul S. Walsh

Management Team

Frederick W. Smith (Chairman, CEO)	Mark R. Allen (Executive VP, General Counsel and Secretary)	Brie Carere (Executive VP, Chief Marketing & Communications Officer)
Raj Subramaniam (President, COO)	Jill Brannon (Executive VP, Chief Sales Officer)	Robert B. Carter (Executive VP, CIO)
Mike Lenz (Executive VP, CFO)		

Human Resources (Embedded in Business Segments)

- Recruiting
- Compensation and Benefits
- Learning and Development
- Culture
- Diversity & Inclusion
- HR Information Systems
- Labor Relations

Finance and Accounting

- Financial Planning
- Treasury
- Tax
- Accounting
- Internal Controls
- Internal Audit
- Investor Relations
- Corporate Development

Information Services

- Sales, Marketing and Information Technology
- Technology Strategy
- IT Infrastructure
- Applications, Networks, and Data Centers
- FedEx Services (Provides Sales, Marketing, IT, Communications, Customer Service, Technology Support, Billing, and Collection Services for U.S. Customers of FedEx Business Units)

Marketing and Communications

- Global Marketing & Communications
- Advertising, Brand and Reputation
- Product & Business Development
- Customer Experience
- Innovation
- Revenue Management
- Retail Marketing
- Digital Access

Sales

- Large Enterprise Portfolio Solutions
- Sector, Geographic, and Inside Sales
- Strategic Customer- and Supply Chain-Related Activities
- Sales Operations
- Analysis
- Education
- Customer Solutions

Corporate Matters

Legal

- International and Domestic Legal Affairs
- Corporate Governance
- Security
- Government Affairs
- Regulatory Affairs
- Commercial and Aviation Negotiations

Operations

- Transformational Initiatives
- Operating Strategy
- e-Commerce
- Global Supply Chain
- Digital Transformation

Operations

FedEx Express (FY2020 Revenues: $35.5 B)

Donald F. Colleran (President and CEO)

Offers a wide range of U.S. domestic and international shipping services (including priority, same day, deferred and economy) for delivery of packages on a time-definite basis, including pick-up service, freight delivery on a deferred basis, and cross-border customs clearances services, via an extensive intermodal system of global and regional air and ground transportation networks

Shipping, Infrastructure, and Resources

Shipping	Infrastructure and Resources		Key Facilities			
1-3 Days	Pickup-and-Delivery Operation at the Local Level	245, 000 Employees	U.S. Markets	Oakland Regional Hub	Global. Markets	Osaka Sorting Facility
Available to All		95,000 Drop-Off Locations	Memphis Sorting and Hub Facility	Chicago Sorting Facility	Anchorage Sorting Facility	London Sorting & Freight Handling Facility
Ships to more than 220 countries, connecting markets comprising over 99% of the world's gross domestic product	Global and Regional Air and Ground Networks	679 Aircrafts	Indianapolis Hub Facility	Los Angeles Sorting Facility	Paris Sorting Facility	
	Operations, Customs Clearance, Sale, & Back Office Information Technology Systems (e.g., SenseAware ID Sensor-Based Real-Time Package Tracking)	79,000 Vehicles	Forth Worth Regional Hub	Chicago Sorting Facility	Cologne Sorting Facility	Miami/Latin America Gateway Hub
			Newark Regional Hub		Guangzhou Sorting Facility	

Services

U.S. Domestic Package Delivery Services

Packages: Time-Definite Market

- FedEx First Overnight
- FedEx Standard Overnight
- FedEx Priority Overnight
- FedEx Same Day (Urgent; Up to 150 lbs.)

Freight: Time-Definite Market

- U.S. Express Overnight
- Deferred Freight Services

FedEx Express — Memphis, Tennessee HQ

U.S. International Package Delivery Services

Packages

- FedEx International Priority (Time-Definite1-3 Business Days)
- FedEx International Economy (Time-Definite 2-5 Business Days)
- FedEx International First (Time-Definite 1-2 Business Days Delivery in 25 Nations)
- Domestic Pickup and Delivery in Select Non-U.S. Countries—U.K., Australia, Brazil, Canada, Mexico, India, China)

Freight (Includes Real-Time Tracking, Advanced Customs Clearance)

- International Express
- International Deferred

TNT Express Delivery Services

Express	*Economy*	*Specialized*
Day Definite (Delivered Next Day or Fastest-by-Air)	Day Definite (Delivered Fastest-by-Road)	Extremely Urgent or Specialized (Same Day, Value-Added or Non-Standard Freight Services)

TNT Express B.V. is an international express transportation, small-package ground delivery and freight transportation company; it maintains low-cost road networks in Europe, the Middle East and Asia

Cross-Border/Customs Clearance

Expedited Time-Critical Shipment Services	*Cross-Border Enablement, Technology Solutions, e-Commerce Transportation Solutions**	
FedEx Custom Critical, Inc.	FedEx Cross Border Holdings, Inc.	P2P Mailing Ltd.

**Duty Calculations, Package Tracking, International Shipping Costs, Currency Conversion Calculations, Publication of Customers Duty and Tax Information*

Express Package Delivery Competition

UPS | DHL | U.S. Postal Service | Regional Carriers | Amazon.com | DPD (subsidiary of France's La Poste GeoPost | Passenger & All-Cargo Airlines | General Logistics Systems (Royal Mail-owned) | Foreign Postal Authorities

FedEx Ground (FY2020 Revenues: $22.733 B)

John A. Smith (President and CEO)

FedEx Ground provides year-round business and residential money-back guaranteed ground package delivery services in the U.S. and Canada, focusing on packages weighing up to 150 pounds

Shipping, Infrastructure and Resources

Shipping	Infrastructure and Resources	
1-5 Days	Unloading and Sorting Technologies	154,000 Employees
Available 7-days per week to 100% of continental U.S. population	Dynamic Route Optimization Technology	591 Facilities
	Yard Management Systems	39 Hubs
	Autonomous Driverless Technology	77,000 Vehicles
Monday-Friday, by the end of the Day	Shipment Tracing, Proof-of-Delivery Signature Functionality	GPS Tags Bar Code Scan Technology

Services

Ground Package Delivery Services

- FedEx Home Delivery Service (Deliveries to Residential Customers)
- FedEx Smart Post Service (Business to Consumer Delivery of High Volume, Low-Weight Packages)
- FedEx Delivery Manager (Delivery Scheduler)

Value-Added Ground Delivery Services

- FedEx Ground Shipment Tracking
- FedEx Delivery Signature
- FedEx Return Solutions
- FedEx Ground Tariff
- FedEx Ground Collect on Delivery
- FedEx Ground Alternate Address Pickup

FedEx Ground — Pittsburgh, Pennsylvania HQ

Ground Package Delivery Competition

United Parcel Service | U.S. Postal Service | Regional Delivery Carriers | Amazon.com

FedEx Freight (FY2020 Revenues: $7.102 B)

John A. Smith (President and CEO)

FedEx Freight is the leading North American provider of "Less than Truck Load" freight services to meet customer supply chain needs

Shipping, Infrastructure, & Facilities

Shipping	Infrastructure	Resources
1-5 Days	Unloading of multiple-pallet shipments	44,000 employees
To a Home or Individual	Freight Carriers	373 Service Centers
Every Day of the Week, by the end of the Day	Advanced Information Systems	
	Air route Authorities	30,000 vehicles

Services

US Domestic Freight Delivery Services

- FedEx Freight Priority (for time-critical supply chain needs)
- FedEx Freight Economy

Canada Freight Delivery Services

- FedEx Freight Canada Priority
- FedEx Freight Priority (between U.S. and Canada)
- FedEx Freight Economy (between U.S. and Canada)

Value-Added Freight Delivery Services

- FedEx Freight Advance Notice
- FedEx Ship Manager Software (process cross-border less-than-truckload shipments to and from Canada and Mexico)
- FedEx Ship Manager Server
- FedEx Web Services
- FedEx Freight Direct (e-commerce service for deliver of heavy, bulky products to residences or businesses)
- LTL Select (free cloud-based, multi-carrier transportation management system for pricing, booking service, and making payments)

FedEx Freight — Memphis, Tennessee HQ

Freight Delivery Competition

Old Dominion Freight | YRC Worldwide | SAIA | XPO Logistics | ABF Freight | TFI International

FedEx Services (FY2020 Revenues: $22 M)

Robert B. Carter & Rajesh Subramaniam (Co-CEOs)

FedEx Services provides FedEx companies with sales, marketing, IT, communications, customer service, technical support, billing and collection services, and other back-office support.

Focuses, Infrastructure, & Resources

Focuses		Infrastructure and Resources
Customer-Driven and Integrated Technologies (Surround, Ship Manager, Returns Technology, Extra Hours, Same Bot, Mobile, Office Print Online	Marketing	15,000 Employees
	Global ISO 9001 Certification	2 Service Centers
	Information Security	49,000 Retail Locations

Services

Support Functions

Sales	Technical Support
Marketing	FedEx Tracking
Information Technology	Packaging Lab
Communications	FedEx Virtual Assistant
Customer Service	*fedex.com* Website
Billing and Collections	

Memphis, Tennessee HQ — FedEx Services

Corporate, Other

Brain D. Phillips (President and CEO)

FedEx Office: operates retail stores centralized production centers and on-site print centers at businesses, colleges, and hotels providing convenient access to FedEx Express and Ground shipping and other services--digital and professional printing, document creation, design services, copying, free Wi-Fi, pick-up and delivery, direct mail, packing, signs and graphics, custom printed boxes, computer rental, and expedited U.S. passport processing.

2,200 stores	13,500 employees	31 Production Centers
Plano, Texas HQ		

Dr. Udo Lange Scott Temple (President and CEO)

FedEx Logistics: manages transportation networks and services connecting FedEx to customer locations, including customs brokerage, ocean and air freight forwarding, integrated supply chain management, critical inventory and service parts logistics, tech repair, and international trade advisory services)

110 Freight Forwarding Offices	20,000 Total Employees	100 Supply Chain Facilities
	Memphis, Tennessee HQ	

Sales of FedEx Office Services

FedEx Office Customers

- Individuals
- Family Households
- Small Businesses
- Government Agencies
- Mid-Size and Large Corporations

Airport Access Agreements for FedEx Express Asia-Pacific Hubs

Asian Pacific Airport Hubs

- Guangzhou Baiyun International Airport
- Kansai International Airport (Osaka)
- Pudong International Airport (Shanghai)

Alliances and Collaborations for In-Store and On-Site Drop-Off Locations, FedEx Office Locations, and/or On-Site Shipping Services

FedEx Ground Customers

- Residential Customers
- Business-to-Business Shipping Accounts
- FedEx Express (for U.S. Day-Definite Residential Deliveries)

Nationwide Retail Network (14,000 Stores)

- Walgreens (FedEx Returns Technology)
- Dollar General
- Albertsons
- Kroger
- Unmanned FedEx Drop Boxes: (Office Buildings, Shopping Centers, and Corporate and Industrial Parks)
- Office Depot (Shipping and Drop-Off Services)
- Walmart (Agreement to Operate 340 FedEx Office Locations Inside Walmart Stores)
- Partners Hosting On-Site FedEx Locations (Colleges, Universities, Hotels, Convention Centers, Corporate Campuses, and Health Care Campuses)

U.S. and Canada Sales of Ground Package Delivery and Consulting Services

FedEx Freight Customers

- Business-to-Business Shippers
- Small and Family-Run Business Customers
- Large Retailers (e.g., Gap, Nike)
- Manufacturers (e.g., Medical Device Makers)
- U.S. Department of Defense (Peacetime Military Cargo)

North America Sales of Freight Delivery and Consulting Services

Partnership to Develop "Roxo" Autonomous Device to Make Same-Day and Last-Mile Customer Deliveries

Same Day Bot Development

- AutoZone
- Lowe's
- Pizza Hut
- Walgreens
- Walmart

Partnership to Explore Chain-of-Custody Technology within Logistics Sector to Reducing Customer Claims

- Blockchain in Transportation Alliance

Outside Relationships

Customers

Securities Regulation and Stock Exchange Listing Rules

Dividends and Common Stock Repurchases

Equity Capital

Professional Services

Multi-Year Collaboration Agreement to Digitally Transform Commerce and Enhance FedEx's Global Supply Chain and Logistics Network

Trademark and Other Intellectual Property Registrations

Suppliers

Professional Services Firms

- Ernst & Young LLP (Audit Services)
- BBDO New York (Advertising Agency)
- Brownstein, Hyatt et a. (Lobbying Services)
- Capital Tax Partners (Lobbying Services)
- Elevate Government Affairs (Lobbying Services)
- Miller & Martin (Tax Incentives Law)
- Littler; Jackson Lewis (Workplace Law)
- Microsoft Azure (Cloud Data Transformation)

Capital

Significant Shareholders

- The Vanguard Group, Inc. (6.43%)
- PRIMECAP Management Co. (5.25%)
- Dodge & Cox (5.10%)
- BlackRock Fund Advisors (4.55%)
- SSgA Funds Management, Inc. (3.85%)
- Institutional Ownership 72.95%

Regulators

Securities Regulators

- U.S. Securities and Exchange Commission (Securities Law Disclosure and Reporting Requirements; Anti-Bribery Law Record-Keeping Requirements)
- New York Stock Exchange (Listing, Maintenance and Corporate Accountability Rules)

- U.S. and Foreign Patent, Copyright and Trademark Offices (Patent, Copyright, and Trademark Registrations)

Key Company Data (as of May 31, 2020)

Share Data

- Stock Exchange: NYSE
- Ticker Symbol: FDX
- Share Price: $291.95 *As of 06/25/2021*
- Earnings Per Share (Diluted): $11.30
- 2020 Annual Dividend: $2.60/share (Forward Annual Dividend: $3.00/share)
- Market Capitalization: $77.47B *(06/25/2021)*

Financial Highlights

Statement of Earnings

- Net Revenues: $69.217 B
- Operating Expenses: $66.8 B
- Operating Income: $2.147 B
- Net Income: $1.286B

Balance Sheet

- Total Assets: $73.537 B
- Total Liabilities: $55.242 B
- Long-Term Debt: $21.952 B
- Equity: $18.295 B

Cash Flow

- Operations: $5.097 B
- Investing: $(5.846 B)
- Financing: $3.381 B

Resources

- Employees: 600,000+
- Motorized Vehicles: 200,000+
- Aircrafts: 680
- Hubs: 2,002
- Countries Served: 220
- Operating facilities: 600
- Office Locations: 2,200

Key Financial Metrics

- Return on Equity: 15%

Recent/Interesting Developments

Reduce, Replace, Revolutionize: FedEx's sustainability strategy is to ***reduce*** impacts from activities, ***replace*** current applications with environmentally friendly options, and ***revolutionize*** current technologies.

Click Here to Download the FedEx Annual 10K Report.

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