



# EarthSmart<sup>®</sup>

Connecting the World in Responsible and Resourceful Ways

Creating a Sustainable Fleet While Balancing the Bottom Line  
October 3, 2012



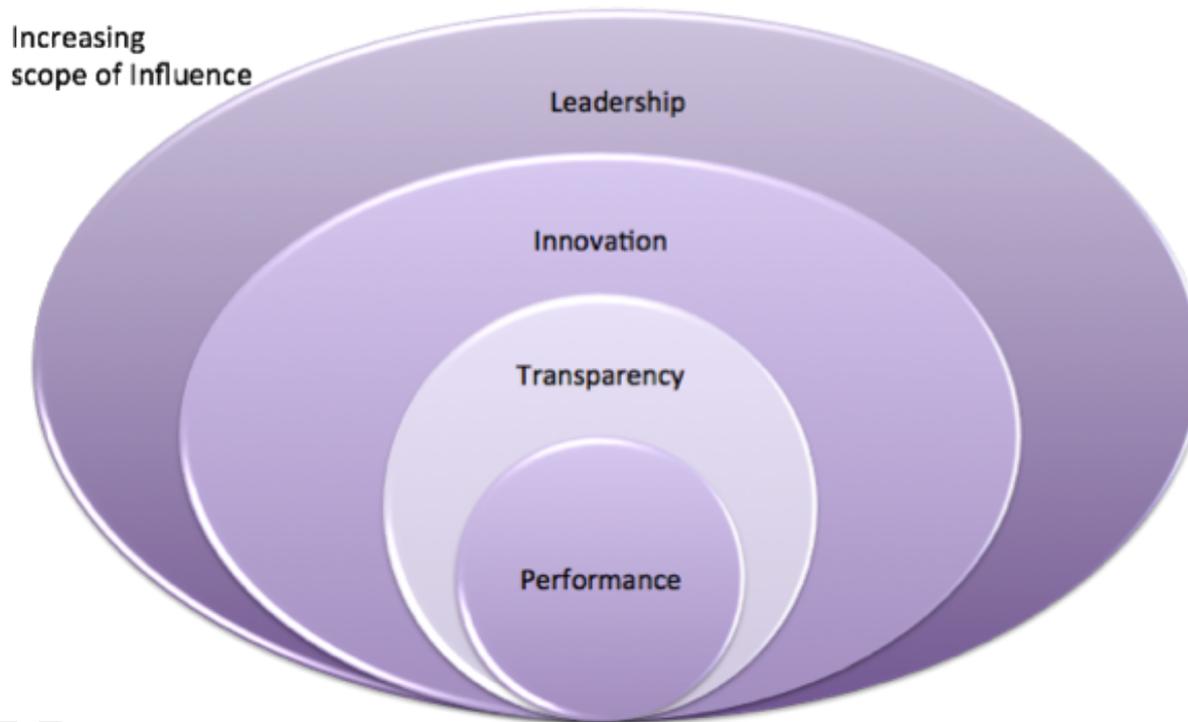


## Our Focus at FedEx

- Connect the world in responsible and resourceful ways
- Make our business and the world more sustainable and efficient
- Improve global access

# Practical Environmentalism

- Strategic and Transformational Environmental Stewardship that adds Tangible Value in the efforts to be more Responsible
- Building Blocks





FedEx solutions for a  
more sustainable world

EarthSmart Innovations

EarthSmart @ Work

EarthSmart Outreach

# EarthSmart Innovations

- Designation program for product, service, asset, and solutions innovations
- Designed with Esty Environmental Partners
- Innovations must exceed standard industry practices to receive the EarthSmart
- Innovations must demonstrate clear and tangible benefits to:
  - The environment
  - FedEx customers
  - Team members
  - FedEx business

# EarthSmart Innovations Programs

- FedEx Carbon-Neutral Envelope Shipping
- FedEx Paperless Processing Solutions such as FedEx® Electronic Trade Documents
- FedEx Low-Emission Hybrid-Electric Vehicles
- FedEx Zero-Emission All-Electric Vehicles
- FedEx Leadership in Energy and Environmental Design (LEED certified facility)
- FedEx Paper Recycling Program



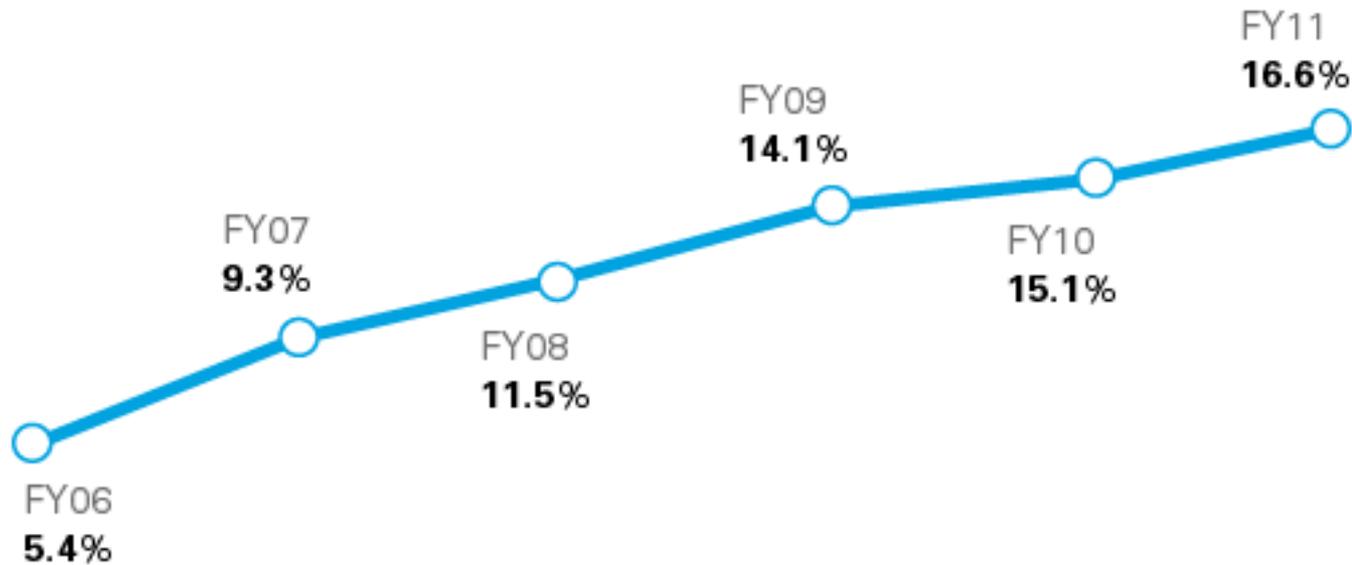
# We're Making EarthSmart a Reality



# Reducing Our Impact On the Environment: What We're Doing to Make a Difference

- Shrinking our carbon footprint by improving efficiencies and reducing emissions through our
  - Aircraft
  - Vehicles
  - Facilities
  - Paper and Packaging
  - Reuse and Recycling Packaging
- Empowering our customers through environmentally responsible products and services

## Performance on Goals (MPG)



# Reduce, Replace, Revolutionize

- Reduce: The number of miles we drive and the number of vehicles we need is reduced. We continually optimize the energy efficiency of our fleet as part of our ongoing fleet replacement program.
  - Replace: The capability of each vehicle type is matched to each route's power and energy requirements, yielding significant improvement in the energy efficiency of the entire fleet.
  - Revolutionize: FedEx has taken a leadership position in developing and deploying revolutionary technologies like electric vehicles, including smart-charging algorithms to control the impact of vehicle charging on the electric grid.
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- It's part of EarthSmart® — FedEx solutions for a more sustainable world

## Vehicle Emissions Solutions

- Vehicles and routing efficiencies
  - Developed and implemented hybrid-electric and all-electric trucks
    - 364 hybrid-electric vehicles
    - 130 all-electric vehicles
    - 13.5 million miles of revenue service
  - Modified fleet management
  - Optimized routes for improved efficiency
- Clean Diesel
  - By the end of FY13, FedEx will have more than 11,000 in service, more than 35 percent of its U.S. pick-up and delivery fleet. Each van is about 70 to 100 percent more fuel-efficient than the original truck it replaces.



# Hybrid Electric Vehicles



FCCE/Eaton W700



Freightliner M2



Ford/Azure W700



Isuzu Hybrid



Hino Hybrid



# Electric Vehicles



Navistar e-Star - US



Ford Transit Connect EV  
- US



FCCC e-Cell - US



FCCC Repower W700  
(diesel to electric)



Smith Edison – Europe, Hong Kong



Smith Newton - US



Boulder EV – prototype in  
production

## And, Just A Bit More

- FedEx zero emission all electric Vehicles
  - Our fleet of FedEx zero emission all electric vehicles reduces emissions and pollution around the world. We're moving in the right direction: cleaner air for all of us. And zero emission all electric vehicles are only the beginning — we're also right-sizing our traditional fleet and restructuring routes for more efficiency. These changes have helped us save 75 million gallons of fuel to date. FedEx zero emission all electric vehicles — an innovation that's producing quantifiable environmental results. It's part of EarthSmart® — FedEx solutions for a more sustainable world.
- FedEx low emission hybrid electric
  - FedEx low emission hybrid electric vehicles are making a difference in communities across the globe. In fact, these vehicles have reduced our fuel consumption in North America, Europe, and Asia by more than 25 percent. Beyond hybrid electrics, we've restructured routes for more efficiency and right-sized our fleet. Collectively, these changes have helped us save 75 million gallons of fuel to date. FedEx low emission hybrid electric vehicles and the right-sizing of our fleet — innovations that are producing quantifiable environmental results. It's part of EarthSmart® — FedEx solutions for a more sustainable world.

# Locations

- U.S.

- New York City
- Washington, DC
- Maryland
- Memphis
- Dallas
- Houston
- San Antonio
- California
- Portland
- Denver
- Chicago
- Detroit

- Canada

- Toronto

- Europe

- London
- Paris
- Germany
- Italy

- Asia

- Tokyo
- Hong Kong

# Make EarthSmart a Reality



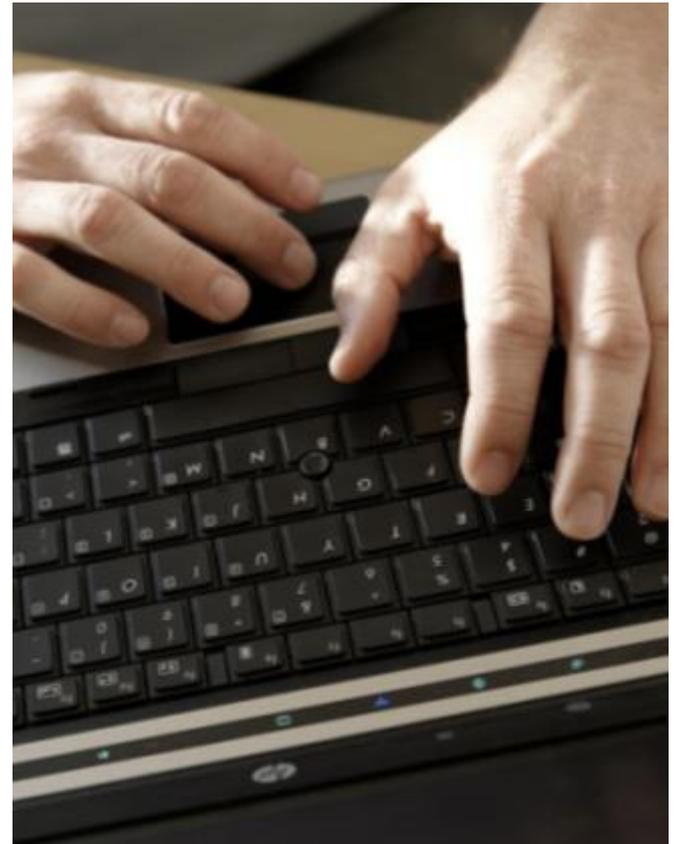
## Start The Shift

- <http://blog.fedex.designcdt.com/shift>



## Resources

- <http://earthsmart.fedex.com>
- <http://csr.fedex.com>
- <http://blog.fedex.com>



# Connecting The World Responsibly and Resourcefully

Questions?

