



## Building on what's best about FedEx

I'd like to first extend a sincere "Bravo Zulu" — the naval signal for a job *well done* — to the entire FedEx team for once again doing an outstanding job of delivering the holidays for our customers. As demonstrated throughout peak, your dedication alongside our strategic operating principles — Compete Collectively, Operate Collaboratively, and Innovate Digitally — make up our [blueprint](#) for success. These principles, introduced by Raj in September 2020, create the momentum for continued growth and profitability, and we've matched that momentum externally with the introduction in [January 2021](#) of our global tagline — FedEx. Where now meets next.

As we intentionally evolve our [business](#) and our [brand](#), I'd like to share what's next for the [culture](#) of FedEx.

### What's next for FedEx

For the last two years, a team spanning regions, opcos, and job functions has banded together with a sole mission — While preserving our foundational philosophy of People-Service-Profit (PSP), how do we continue building upon what's best about FedEx? For answers, the team rightly turned next to Quality Driven Management (QDM). Employing QDM, this global Quality Action Team surveyed more than 10,000 FedEx team members, interviewed nearly 100 FedEx leaders, and benchmarked with best-in-class companies to uncover a consensus on what's exceptional about our culture now and how we adapt for what's next.

The result? Today, we are introducing unified FedEx values and behaviors — one FedEx culture, defined by all of FedEx and for all of FedEx. Much like QDM is our common language for [quality](#) and the Purple Promise is our common mantra for delivering [outstanding experiences](#), this common culture will knit our enterprise together with shared values and behaviors.

### Culture: a FedEx differentiator

Culture, along with our strong brand, is a FedEx differentiator. It's why people come here for dynamic, decades-long careers. And it's also why we're able to attract new team members who see FedEx routinely recognized as a best company to work for and one of the world's most admired brands. We also know that culture isn't just a friendly notion. It is a strategic advantage. In addition to an increase in employee satisfaction, research shows that intentionally managed cultures can boost the bottom line in the form of increased revenue and stock price.

**Values** | With one FedEx culture, we:



Take care of each other

- We put safety above all.
- We make “safety” a place, a habit, and a mindset.
- We bring our whole selves to work.
- We value our differences and believe every voice counts.



Commit to do good

- We make connections.
- We seek ways to protect our planet.
- We do the right things the right way.
- We help communities thrive.



Own outstanding

- We make every experience matter.
- We simplify and work smarter for our customers.
- We find ways to stand out from the crowd.
- We are fast, flexible, and focused.



Drive business results

- We know how our roles support the business.
- We deliver results aligned to our strategy.
- We invest wisely to drive profit.
- We create value for our shareholders.



Create what's next

- We anticipate the future.
- We stay curious.
- We act now to stay ahead.
- We provide a path to growth for everyone.



# From the Chairman & CEO

JANUARY 2022

This evolution of our culture builds upon our unique P-S-P foundation which has served us well for many years and positions us to best support our strategic operating principles as we move forward. For example, we stepped up our use of **Operate Collaboratively** in nearly every respect during peak season. Throughout peak team members from across the enterprise volunteered at FedEx Express and FedEx Ground facilities in areas affected by staffing shortages. We also collaborated across opcos for both linehaul and the final mile, with FedEx Ground delivering 2.7 million FedEx Express residential packages to our customers' doorsteps. This collaboration — two instances among many — enabled the opcos to deliver the best possible service this holiday season in a challenging environment. We're also helping to solve challenges presented by global supply chain congestion. For example, FedEx Logistics recently chartered its first vessel carrying FedEx Freight Multimodal containers, reducing container transit time between China and the United States by 15 days. This is a huge win for customers waiting on their goods. Amid this ongoing collaboration, our shared culture will continue to provide a common understanding between opcos that benefits customers and team members as we work more closely together.

As Raj noted on our latest earnings call, in two fiscal years — fiscal year '21 through the end of fiscal year '22 — we expect to add more than \$20 billion in revenue. To put that growth into perspective, it took us 20 years to add the previous \$50 billion. Given this rapid growth, the time is right to move toward a universal FedEx culture — meaning whether your team is based in Mumbai or Memphis, there's a commonality in how we approach our work and the values that drive us.

## How we show up

Each of our culture values will have endless applications throughout your time at FedEx. For decades I've seen our team members commit to do good in the aftermath of natural disasters by mobilizing our global fleet and shipping expertise to provide urgently needed supplies to relief organizations to save lives and alleviate suffering. Like this illustration, each value and behavior informs how we all show up for our customers, communities, shareowners, and each other. I'd ask you to begin familiarizing yourself with each and take pride in how culture reflects who we are, guides us to what's important, makes us resilient, and empowers us to deliver great results.

These new culture values apply to all team members, regardless of role, region, or opco, and you can expect to hear more from your opco's leadership about how your opco will journey toward one FedEx culture. You'll also receive updates through our enterprise culture site at [https://myfedex.sharepoint.com/teams/enterprise\\_culture](https://myfedex.sharepoint.com/teams/enterprise_culture).  
(Keyword: Culture)



# From the Chairman & CEO

JANUARY 2022

What makes FedEx FedEx isn't just a building, a plane, a package, or a logo, as important as these things may be. It's the passionate people who work here — people who love what they do and do it well.

Thank you for working together to build on what's best about FedEx.

A handwritten signature in black ink, appearing to read "Fred", written in a cursive style.

**Frederick W. Smith**  
Chairman and CEO