



Fedex 2012 Global Citizenship Report - A little lost en route?

While FedEx is commendably open in its latest report, it would benefit from a clearer sense of direction

The real value of the FedEx approach to citizenship is what the company calls access, and this is introduced in the early part of this 70-page report, under two main themes, empowering small businesses and driving more sustainable trade patterns. While it may sound like a leap of faith to consider that the development of the global and local economies relies so heavily on the contribution of logistics companies, there is a spark of brilliance in the FedEx expression of its contribution to a more sustainable world.

Just as the expansion of global commerce was closely connected to the development of international shipping trade routes in the 16th century, so the modern day version in the form of the services FedEx provides is also closely linked to economic growth. FedEx maintains that it connects small businesses with global markets, and makes a compelling case for the value of its contribution in both serving and supporting the need for access through a strong logistics network.

FedEx pioneered a new approach to trade education called the Export University and offers a FedEx Know and Grow programme, as well as providing grants to small businesses. FedEx advocates for free trade agreements and ensures a pivotal presence in markets with opportunity, such as, for example, the opening of a new FedEx hub in Pudong, China, to capture the surge in foreign trade volume.

The positioning of FedEx as an enabler of access and growth in this way offers a smart insight about the impact along this company's value chain. FedEx has done a better job of telling this story in this report than it did last year.

More metrics, less focus

The 2012 FedEx report is called Goals and Progress. FedEx reports on five long-range goals in the area of environmental impacts – aircraft emissions, fuel efficiency, alternative fuels, renewable energy and green building.

It's rather odd that no goals are reported for the other areas of FedEx citizenship programmes. However, the report is full of progress – in fact, it's all about how wonderful FedEx is, now in a new improved version, with more metrics. This goes counter to the current mood in sustainability reporting in which adding more tick-box metrics is now no longer seen as the right objective, but mature, material transparency (as exemplified in GRI's new G4 framework) is demonstrative of strategic sustainability and reporting leadership.

This 2012 report covers the four areas historically addressed in the FedEx citizenship programme: economics and access; environment and efficiency; community and disaster relief; and, people and workplace. But, which specific issues represent material impacts and are of most concern to stakeholders is left for the reader to decide.

Similarly, it is not easy to discern new initiatives and improved performance in the reporting year versus the minute detail of individual activities and policy approaches that are in many cases copy-pasted from previous reports. This turns reading and navigating this report to get to what's really different into somewhat of a challenging task and makes the report rather a tiresome read.

Nonetheless, this report is a testament to FedEx's progress in performance in several areas. This includes reductions in aircraft emissions intensity through replacement of less fuel-efficient aircraft; vehicle fleet fuel efficiency increase by a cumulative 22% over five years; and more energy efficient facilities through LEED certified buildings, extensive retrofits and renewable energy initiatives. Paper recycling has increased, and consumption has reduced through new electronic alternatives.

Page after page of environmental sustainability initiatives demonstrate a serious approach. In the area of disaster relief, FedEx has made a major contribution to relief needs around the world by donating shipping services and to supporting road safety awareness with Safe Kids Worldwide. In the people section, FedEx describes a new initiative, enabling 900 customer service reps to work from home, offering greater work-life flexibility. Furthermore, its US workforce is now made up of 44% minority groups.

With the exception of environmental targets, it is not clear where FedEx is heading in its citizenship efforts. The absence of broader goals and a material focus is compounded by a lack of articulation of overall strategy, leaving a report that is more like a series of separate initiatives than a coherent route to a well-defined destination with milestones along the way.

It may be time for FedEx to step back from detailed achievements, positive though they may be, and review an overall route plan to a sustainable destination.

[Elaine Cohen](#) is a sustainability consultant and reporter at [Beyond Business](#) and is a [CSR blogger](#).

Snapshot:

Follows GRI?	GRI index included; undeclared level.
Assured?	Emissions only.
Materiality analysis?	No
Goals?	Environment only.
Targets?	Environment only.
Stakeholder input?	A few commentaries.
Seeks feedback?	No
Key strengths?	Detailed explanation of data methodologies.
Chief weakness?	Too many trees, not enough forest.
Pleasant surprise?	Good value chain theme: access.