

Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security
Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2022

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2022 or fiscal plan year beginning 06/01/2022 and ending 05/31/2023

- A** This return/report is for:
 - a multiemployer plan
 - a single-employer plan
 - a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
 - a DFE (specify) _____
- B** This return/report is:
 - the first return/report
 - the final return/report
 - an amended return/report
 - a short plan year return/report (less than 12 months)
- C** If the plan is a collectively-bargained plan, check here. ▶
- D** Check box if filing under:
 - Form 5558
 - automatic extension
 - special extension (enter description)
 - the DFVC program
- E** If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ▶

Part II Basic Plan Information—enter all requested information

1a Name of plan <u>FEDEX FREIGHT, INC. PENSION PLAN</u>	1b Three-digit plan number (PN) ▶ <u>002</u>
	1c Effective date of plan <u>01/01/2007</u>
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>FEDEX FREIGHT, INCC.</u> <u>FEDEX CORPORATION</u> <u>70 FEDEX PARKWAY</u> <u>2ND FLOOR VERTICAL</u> <u>COLLIERVILLE, TN 38017</u>	2b Employer Identification Number (EIN) <u>71-0562003</u>
	2c Plan Sponsor's telephone number <u>901-291-3650</u>
	2d Business code (see instructions) <u>484200</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>03/08/2024</u>	<u>JEFFREY MIZE</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2022)
v. 220413

3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor	3b Administrator's EIN	
	3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN	
	4d PN	
5 Total number of participants at the beginning of the plan year	5	45600
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits c Other retired or separated participants entitled to future benefits..... d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)..... h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6a(1)	34623
	6a(2)	0
	6b	0
	6c	0
	6d	0
	6e	0
	6f	0
	6g	
6h		298
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A 1C 3H 3J		
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		

9a Plan funding arrangement (check all that apply)	9b Plan benefit arrangement (check all that apply)
(1) <input type="checkbox"/> Insurance	(1) <input type="checkbox"/> Insurance
(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts	(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts
(3) <input checked="" type="checkbox"/> Trust	(3) <input checked="" type="checkbox"/> Trust
(4) <input type="checkbox"/> General assets of the sponsor	(4) <input type="checkbox"/> General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

<p>a Pension Schedules</p> <p>(1) <input checked="" type="checkbox"/> R (Retirement Plan Information)</p> <p>(2) <input type="checkbox"/> MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary</p> <p>(3) <input checked="" type="checkbox"/> SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary</p>	<p>b General Schedules</p> <p>(1) <input checked="" type="checkbox"/> H (Financial Information)</p> <p>(2) <input type="checkbox"/> I (Financial Information – Small Plan)</p> <p>(3) <input type="checkbox"/> 0 A (Insurance Information)</p> <p>(4) <input checked="" type="checkbox"/> C (Service Provider Information)</p> <p>(5) <input checked="" type="checkbox"/> D (DFE/Participating Plan Information)</p> <p>(6) <input type="checkbox"/> G (Financial Transaction Schedules)</p>
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Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) Yes No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) Yes No

11c Enter the Receipt Confirmation Code for the 2022 Form M-1 annual report. If the plan was not required to file the 2022 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	<small>OMB No. 1210-0110</small> 2022 This Form is Open to Public Inspection
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For calendar plan year 2022 or fiscal plan year beginning 06/01/2022 and ending 05/31/2023

▶ **Round off amounts to nearest dollar.**
 ▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>FEDEX FREIGHT, INC. PENSION PLAN</u>	B Three-digit plan number (PN) ▶	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>FEDEX FREIGHT, INCC.</u>	D Employer Identification Number (EIN) <u>71-0562003</u>	
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B	F Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500	

Part I Basic Information			
1 Enter the valuation date: Month <u>06</u> Day <u>01</u> Year <u>2022</u>			
2 Assets:			
a Market value.....	2a	<u>1258553303</u>	
b Actuarial value	2b	<u>1327485269</u>	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	<u>1553</u>	<u>87014197</u>	<u>87014197</u>
b For terminated vested participants.....	<u>9448</u>	<u>157298808</u>	<u>157298808</u>
c For active participants.....	<u>34623</u>	<u>904373787</u>	<u>911747184</u>
d Total	<u>45624</u>	<u>1148686792</u>	<u>1156060189</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>			
a Funding target disregarding prescribed at-risk assumptions.....	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b		
5 Effective interest rate.....	5	<u>5.45 %</u>	
6 Target normal cost			
a Present value of current plan year accruals.....	6a	<u>62533787</u>	
b Expected plan-related expenses	6b	<u>6000000</u>	
c Total (line 6a + line 6b)	6c	<u>68533787</u>	

Statement by Enrolled Actuary
 To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE		
	Signature of actuary	<u>02/15/2024</u> Date
	<u>STACY R. FRANKLIN, ASA</u> Type or print name of actuary	<u>23-07095</u> Most recent enrollment number
	<u>MERCER</u> Firm name	<u>901-684-3100</u> Telephone number (including area code)
	<u>6410 POPLAR AVE SUITE 540 MEMPHIS, TN 38119</u> Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions

Part II Beginning of Year Carryover and Prefunding Balances		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....	5963319	233346842
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	5963319	233346842
10	Interest on line 9 using prior year's actual return of <u>-10.33</u> %	-616011	-24104729
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year).....		63742863
b(1)	Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.63</u> %.....		3588723
b(2)	Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c	Total available at beginning of current plan year to add to prefunding balance.....		67331586
d	Portion of (c) to be added to prefunding balance.....		0
12	Other reductions in balances due to elections or deemed elections.....	5347308	209242113
13	Balance at beginning of current year (line 9 + line 10 + line 11d - line 12).....	0	0

Part III Funding Percentages			
14	Funding target attainment percentage	14	114.82 %
15	Adjusted funding target attainment percentage	15	114.82 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	109.56 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls							
18 Contributions made to the plan for the plan year by employer(s) and employees:							
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees		
Totals ▶			18(b)	0	18(c)	0	

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a	Contributions allocated toward unpaid minimum required contributions from prior years.....	19a	0
b	Contributions made to avoid restrictions adjusted to valuation date.	19b	0
c	Contributions allocated toward minimum required contribution for current year adjusted to valuation date.	19c	0
20	Quarterly contributions and liquidity shortfalls:		
a	Did the plan have a "funding shortfall" for the prior year?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
b	If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
c	If line 20a is "Yes," see instructions and complete the following table as applicable:		

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:

a Segment rates:	1st segment: 4.75 %	2nd segment: 5.18 %	3rd segment: 5.92 %	<input type="checkbox"/> N/A, full yield curve used
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b Applicable month (enter code)..... **21b** 0

22 Weighted average retirement age **22** 66

23 Mortality table(s) (see instructions) Prescribed - combined Prescribed - separate Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. Yes No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. Yes No

26 Demographic and benefit information

a Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. Yes No

b Is the plan required to provide a projection of expected benefit payments? If "Yes," see instructions regarding required attachment ... Yes No

27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment **27**

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years.....	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29).....	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6c).....	31a	68533787
b Excess assets, if applicable, but not greater than line 31a	31b	68533787

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment.....	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount..... **33**

34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).... **34** 0

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	0	0

36 Additional cash requirement (line 34 minus line 35)..... **36** 0

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)..... **37** 0

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36)	38a	0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	

39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)..... **39** 0

40 Unpaid minimum required contributions for all years..... **40** 0

Part IX Pension Funding Relief Under the American Rescue Plan Act of 2021 (See Instructions)

41 If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies. 2019 2020 2021

**SCHEDULE C
(Form 5500)**

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Service Provider Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2022

This Form is Open to Public Inspection.

For calendar plan year 2022 or fiscal plan year beginning 06/01/2022 and ending 05/31/2023

A Name of plan <u>FEDEX FREIGHT, INC. PENSION PLAN</u>	B Three-digit plan number (PN) ▶	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>FEDEX FREIGHT, INCC.</u>	D Employer Identification Number (EIN) <u>71-0562003</u>	

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... Yes No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

ALIGHT SOLUTIONS

82-1061233

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 50	NONE	1233702	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(a) Enter name and EIN or address (see instructions)

MERCER HUMAN RESOURCE CONSULTING

13-2834414

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 17 50	NONE	100336	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(a) Enter name and EIN or address (see instructions)

FEDEX OFFICE COMMERCIAL PRESS

22-3736227

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
23 50	PLAN SPONSOR	65071	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

WILLIS TOWERS WATSON

06-1467923

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
16 50	NONE	51503	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(a) Enter name and EIN or address (see instructions)

STATE STREET BANK AND TRUST

04-3400339

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21 50	TRUSTEE	0	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	0	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

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(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

<p style="text-align: center;">SCHEDULE D (Form 5500)</p> <p style="font-size: small; text-align: center;">Department of the Treasury Internal Revenue Service</p> <hr/> <p style="font-size: small; text-align: center;">Department of Labor Employee Benefits Security Administration</p>	<p>DFE/Participating Plan Information</p> <p>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</p> <p>▶ File as an attachment to Form 5500.</p>	<p style="font-size: x-small;">OMB No. 1210-0110</p> <hr/> <p style="font-size: large; font-weight: bold;">2022</p> <hr/> <p style="font-size: small; font-weight: bold;">This Form is Open to Public Inspection.</p>
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For calendar plan year 2022 or fiscal plan year beginning **06/01/2022** and ending **05/31/2023**

<p>A Name of plan FEDEX FREIGHT, INC. PENSION PLAN</p>	<p>B Three-digit plan number (PN) ▶</p>	<p>002</p>
<p>C Plan or DFE sponsor's name as shown on line 2a of Form 5500 FEDEX FREIGHT, INCC.</p>	<p>D Employer Identification Number (EIN) 71-0562003</p>	

Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)
(Complete as many entries as needed to report all interests in DFEs)

<p>a Name of MTIA, CCT, PSA, or 103-12 IE: FEDEX CORP EMPLOYEES' PENSION TRUST</p>	<p>b Name of sponsor of entity listed in (a): FEDEX CORPORATION</p>	
<p>c EIN-PN 36-3288317-001</p>	<p>d Entity code M</p>	<p>e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0</p>
<p>a Name of MTIA, CCT, PSA, or 103-12 IE:</p>		
<p>b Name of sponsor of entity listed in (a):</p>		
<p>c EIN-PN</p>	<p>d Entity code</p>	<p>e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)</p>
<p>a Name of MTIA, CCT, PSA, or 103-12 IE:</p>		
<p>b Name of sponsor of entity listed in (a):</p>		
<p>c EIN-PN</p>	<p>d Entity code</p>	<p>e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)</p>
<p>a Name of MTIA, CCT, PSA, or 103-12 IE:</p>		
<p>b Name of sponsor of entity listed in (a):</p>		
<p>c EIN-PN</p>	<p>d Entity code</p>	<p>e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)</p>
<p>a Name of MTIA, CCT, PSA, or 103-12 IE:</p>		
<p>b Name of sponsor of entity listed in (a):</p>		
<p>c EIN-PN</p>	<p>d Entity code</p>	<p>e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)</p>
<p>a Name of MTIA, CCT, PSA, or 103-12 IE:</p>		
<p>b Name of sponsor of entity listed in (a):</p>		
<p>c EIN-PN</p>	<p>d Entity code</p>	<p>e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)</p>

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN

d Entity code

e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

**SCHEDULE H
(Form 5500)**

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

► **File as an attachment to Form 5500.**

OMB No. 1210-0110

2022

This Form is Open to Public Inspection

For calendar plan year 2022 or fiscal plan year beginning **06/01/2022** and ending **05/31/2023**

A Name of plan FEDEX FREIGHT, INC. PENSION PLAN	B Three-digit plan number (PN) ► 002
C Plan sponsor's name as shown on line 2a of Form 5500 FEDEX FREIGHT, INCC.	D Employer Identification Number (EIN) 71-0562003

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	70000000	0
(2) Participant contributions.....	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred.....	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred.....	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests.....	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants).....	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts.....	1c(11)	1190544095	0
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)		
(2) Employer real property.....	1d(2)		
e Buildings and other property used in plan operation.....	1e		
f Total assets (add all amounts in lines 1a through 1e).....	1f	1260544095	0
Liabilities			
g Benefit claims payable.....	1g		
h Operating payables.....	1h	136958	0
i Acquisition indebtedness.....	1i		
j Other liabilities.....	1j		
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	136958	0
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	1260407137	0

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers.....	2a(1)(A)		
(B) Participants.....	2a(1)(B)		
(C) Others (including rollovers).....	2a(1)(C)		
(2) Noncash contributions.....	2a(2)		
(3) Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2).....	2a(3)		0
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)		
(B) U.S. Government securities.....	2b(1)(B)		
(C) Corporate debt instruments.....	2b(1)(C)		
(D) Loans (other than to participants).....	2b(1)(D)		
(E) Participant loans.....	2b(1)(E)		
(F) Other.....	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F).....	2b(1)(G)		0
(2) Dividends:			
(A) Preferred stock.....	2b(2)(A)		
(B) Common stock.....	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A), (B), and (C).....	2b(2)(D)		0
(3) Rents.....	2b(3)		
(4) Net gain (loss) on sale of assets:			
(A) Aggregate proceeds.....	2b(4)(A)		
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result.....	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets:			
(A) Real estate.....	2b(5)(A)		
(B) Other.....	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B).....	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		-30025470
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		-30025470
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	64313031	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		64313031
f Corrective distributions (see instructions).....	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)	1387231	
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	4387946	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		5775177
j Total expenses. Add all expense amounts in column (b) and enter total	2j		70088208
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		-100113678
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan.....	2l(2)		1160293459

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

- (1) Unmodified (2) Qualified (3) Disclaimer (4) Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

- (1) DOL Regulation 2520.103-8 (2) DOL Regulation 2520.103-12(d) (3) neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: ERNST & YOUNG, LLP

(2) EIN: 34-6565596

d The opinion of an independent qualified public accountant is **not attached** because:

- (1) This form is filed for a CCT, PSA, or MTIA. (2) It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)

	Yes	No	Amount
4a		X	

		Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....	4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....	4d		X	
e Was this plan covered by a fidelity bond?.....	4e	X		60000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?.....	4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?.....	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	4i		X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.).....	4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....	4k	X		
l Has the plan failed to provide any benefit when due under the plan?.....	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....	4m			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.....	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... Yes No
 If "Yes," enter the amount of any plan assets that reverted to the employer this year 0.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)
FEDEX CORPORATION EMPLOYEES' PENSION PLAN	62-1721435	002

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) Yes No Not determined
 If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 496456.

SCHEDULE R (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2022 This Form is Open to Public Inspection.
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For calendar plan year 2022 or fiscal plan year beginning 06/01/2022 and ending 05/31/2023

A Name of plan <u>FEDEX FREIGHT, INC. PENSION PLAN</u>	B Three-digit plan number (PN) ▶	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>FEDEX FREIGHT, INCC.</u>	D Employer Identification Number (EIN) <u>71-0562003</u>	

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....

1	0
---	---

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):
EIN(s): 04-3581074 22-1211670

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....

3	2019
---	------

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
----------------	---

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? Yes No N/A
If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....	6a	
b Enter the amount contributed by the employer to the plan for this plan year.....	6b	
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c	

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? Yes No N/A

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? Yes No N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... Increase Decrease Both No

Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... Yes No

11 a Does the ESOP hold any preferred stock?..... Yes No

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... Yes No

12 Does the ESOP hold any stock that is not readily tradable on an established securities market?..... Yes No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (measured in dollars). See instructions. Complete as many entries as needed to report all applicable employers.

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

14 Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: <input type="checkbox"/> last contributing employer <input type="checkbox"/> alternative <input type="checkbox"/> reasonable approximation (see instructions for required attachment).....	14a	
b The plan year immediately preceding the current plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	14b	
c The second preceding plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....	14c	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year.....	15a	
b The corresponding number for the second preceding plan year.....	15b	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....	16b	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: 33.0 % Investment-Grade Debt: 43.0 % High-Yield Debt: 8.0 % Real Estate: 0.0 % Other: 16.0 %

b Provide the average duration of the combined investment-grade and high-yield debt:
 0-3 years 3-6 years 6-9 years 9-12 years 12-15 years 15-18 years 18-21 years 21 years or more

c What duration measure was used to calculate line 19(b)?
 Effective duration Macaulay duration Modified duration Other (specify):

20 PBGC missed contribution reporting requirements. If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? Yes No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:
 Yes.
 No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.
 No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.
 No. Other. Provide explanation _____

AUDITED FINANCIAL STATEMENTS

FedEx Freight Pension Plan
As of and for the Years Ended May 31, 2023 and 2022
With Report of Independent Auditors

Ernst & Young LLP



FedEx Freight Pension Plan

Audited Financial Statements

As of and for the Years Ended May 31, 2023 and 2022

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Report of Independent Auditors

The Retirement Plan Investment Board of FedEx Corporation
FedEx Freight Pension Plan

Opinion

We have audited the financial statements of the FedEx Freight Pension Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits as of May 31, 2023 and 2022, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes (collectively referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of the Plan at May 31, 2023 and 2022, and the changes in its net assets available for benefits for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan’s ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the Plan, and determining that the Plan’s transactions that are presented and disclosed in the financial statements are in conformity with the Plan’s provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Ernst + Young LLP

February 29, 2024

FedEx Freight Pension Plan

Statements of Net Assets Available for Benefits (In Thousands)

	May 31	
	2023	2022
Assets		
Interest in FedEx Corporation Employees' Pension Trust	\$ —	\$ 1,190,544
Contribution receivable	—	70,000
Total assets	—	1,260,544
Liabilities		
Accrued administrative expenses	—	137
Total liabilities	—	137
Net assets available for benefits	<u>\$ —</u>	<u>\$ 1,260,407</u>

See accompanying notes.

FedEx Freight Pension Plan

Statements of Changes in Net Assets Available for Benefits (In Thousands)

	Year Ended May 31	
	2023	2022
Additions:		
Employer contributions	\$ —	\$ 70,000
Net investment loss from the FedEx Corporation Employees' Pension Master Trust	(30,025)	(142,739)
Total additions, net of investment loss	(30,025)	(72,739)
Deductions:		
Benefits paid to participants	64,314	63,800
Management and administrative expenses	5,775	6,243
Unrelated business income taxes	—	25
Total deductions	70,089	70,068
Net decrease in net assets available for benefits	(100,114)	(142,807)
Transfer to other qualified plan	(1,160,293)	—
Net assets available for benefits:		
Beginning of year	1,260,407	1,403,214
End of year	\$ —	\$ 1,260,407

See accompanying notes.

FedEx Freight Pension Plan

Notes to Financial Statements

May 31, 2023

1. Description of Plan

The following description of the FedEx Freight Pension Plan (the Plan) is provided for general information purposes only. More complete information regarding the Plan's provisions may be found in the Plan document.

General and Eligibility

The Plan was established January 1, 2007, and is a defined benefit plan covering eligible employees of FedEx Freight, Inc. (the Company). Employees are eligible to participate in the Plan upon attainment of age 21 and the completion of a Plan Year during which the employee is credited with 1,000 hours of service with the Company. Employees who are covered by a collective bargaining agreement are not eligible to participate unless the Plan is specifically incorporated into such agreement. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Pension benefits are accrued under a cash balance formula referred to as the Portable Pension Account (PPA). Prior to June 1, 2008, benefits for some participants were earned under a Traditional Pension Benefit (TPB) formula. Benefits under this TPB formula were capped on May 31, 2008 for all participants.

The Plan was amended, effective January 1, 2020, to exclude new, non-union employees hired on or after that date from participating in the Plan. Any former participant rehired on or after January 1, 2020 will be permitted to earn vesting service and interest credits with respect to existing cash balance accounts, but no future compensation credits shall be granted.

Additionally, in 2020, the Company introduced an all-401(k) plan retirement benefit structure for eligible employees with a higher Company match of up to 8% across all U.S.-based operating companies, beginning in 2022. During calendar 2021, current eligible employees under the PPA pension formula were given a one-time option to continue to be eligible for pension compensation credits under the existing PPA formula and remain in the existing 401(k) plan with its Company match of up to 3.5%, or to cease receiving compensation credits under the PPA and move to the new 401(k) plan with the higher match of up to 8%. Following the finalization of elections on September 30, 2021, changes to the new plan structure became effective January 1, 2022.

FedEx Freight Pension Plan

Notes to Financial Statements (continued)

1. Description of Plan (continued)

Effective May 31, 2023, the Company merged the Plan into the FedEx Corporation Employee's Pension Plan, another plan sponsored by the Company. As a result of this merger, net assets in the amount of \$1,160,293,459 were transferred to the FedEx Corporation Employee's Pension Plan on May 31, 2023. The net assets transferred from the Plan are reflected on the statement of changes in net assets available for benefits as a transfer to other qualified plan.

Plan Administration

Overall responsibility for administering the Plan resides with the Retirement Plan Investment Board (Investment Board), which was appointed by the Compensation Committee of the Board of Directors of FedEx Corporation (FedEx). The Investment Board has delegated responsibility for day-to-day administrative activities and vendor management to the Retirement Services department of FedEx Corporate Services. Alight Solutions (formerly Aon Hewitt) was contracted as an external administrator for the Plan in January 2014.

Under a trust agreement, effective October 1, 2010, State Street Bank and Trust Company (the Trustee) was appointed trustee for the Plan. The trust agreement authorizes the Trustee to invest and reinvest all or part of the Plan's assets in accordance with the investment funds selected by the Investment Board. The Trustee has been granted authority to make payments from the Plan assets, as directed by the Investment Board.

Contributions and Funding Policy

Contributions are made to the Plan to meet minimum funding requirements, as determined by the Plan's independent actuary. In prior years, the Company made voluntary contributions to the Plan in excess of the minimum required contributions. Amounts contributed in excess of the minimum required result in a credit balance for funding purposes that can be used to meet minimum contribution requirements in future years. The funding policy of the Plan is to contribute no less than the minimum amount required by law and no more than the maximum deductible amount. Voluntary contributions (in excess of minimum required contributions) at amounts approximating the annual benefits earned during the year are considered on an annual basis. Additional contributions up to the maximum deductible amount may be made based on the funded status of the Plan. No voluntary participant contributions are permitted. The Plan is in compliance with applicable minimum funding requirements.

FedEx Freight Pension Plan

Notes to Financial Statements (continued)

1. Description of Plan (continued)

Benefits

Effective June 1, 2008, participants are 100% vested after three years of credited service (prior to June 1, 2008, five years of credited service). The Plan's TPB, which was applicable for eligible employees in the former FedEx Freight West, Inc. Pension Plan, was a formula based on an employee's eligible average earnings and years of credited service. Terminated vested participants may elect early retirement after attainment of age 55. Normal retirement is age 65. Benefits may begin at normal retirement age or, if elected, at early retirement or late retirement. Generally, benefits under the TPB formula will be paid as a monthly annuity.

The Plan's PPA benefits are expressed as a dollar amount in a notional account that increases with annual compensation credits based on eligible earnings, age and years of credited service, and quarterly interest credits on the notional account balance. A participant's compensation credits are determined each year under a graded formula that combines age with years of credited service to determine a percentage. The Plan's interest credit rate varies from year to year based on a U.S. Treasury index. Vested benefits under the PPA may be paid as a monthly annuity or lump sum and may begin following termination from all FedEx companies.

Administrative Expenses

Certain administrative functions are performed by employees of the Retirement Services department of FedEx Corporate Services. No such employee receives compensation from the Plan. All administrative expenses, including actuarial services and Trustee fees, are paid from the assets of the FedEx Corporation Employees' Pension Trust (Master Trust).

2. Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are presented on the accrual basis of accounting. Benefits are recorded when paid.

FedEx Freight Pension Plan

Notes to Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

The assets of the Plan are invested in the Master Trust. The Master Trust invests in a variety of investments and was established for the Plan and other FedEx-sponsored plans. All participating plans have an undivided interest in all the investments held in the Master Trust. Investments in the Master Trust are recorded at fair value. The fair value of the Plan's interest in the Master Trust is based on information reported by the Trustee at year-end. See Note 4 for additional fair value disclosures.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded when earned. Dividend income is recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold, as well as held, during the year.

Derivative Financial Instruments

The Master Trust, through activities of certain of its investment managers, uses derivative financial instruments on a discretionary basis to improve investment returns and manage exposure to market risk. In all cases, investment managers are prohibited from using derivatives for speculative purposes and are not permitted to use derivatives to leverage a portfolio. Futures, options, and swaps used to mitigate interest rate exposure are the most common derivatives used in the Master Trust. Changes in the fair value of the derivative financial instruments are recorded separately from the related underlying investment. See Note 5 for additional derivative disclosures.

FedEx Freight Pension Plan

Notes to Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits (Note 3) represent the estimated future periodic payments under the Plan's provisions that are attributable to service rendered by employees through the valuation date. Accumulated plan benefits include benefits expected to be paid to: (a) retired or terminated employees or their beneficiaries, and (b) present employees or their beneficiaries. Benefits payable under all circumstances (e.g., retirement, death, or termination of employment) are included to the extent they are deemed attributable to employee service rendered to the valuation date.

New Accounting Pronouncements

There are no accounting pronouncements applicable.

3. Accumulated Plan Benefits

An actuary estimates the actuarial present value of accumulated plan benefits, which is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits earned by the participants to reflect the time value of money (through discounts for interest) and the probability of payment (through death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment.

FedEx Freight Pension Plan

Notes to Financial Statements (continued)

3. Accumulated Plan Benefits (continued)

The most recent accumulated plan benefit information as of May 31 is as follows (in thousands):

	2022
Actuarial present value of accumulated plan benefits:	
Vested benefits:	
Participants currently receiving payments	\$ 78,240
Other participants	965,369
	1,043,609
Nonvested benefits	7,766
	\$ 1,051,375

The changes in the actuarial present value of accumulated pension benefits during the year ended May 31 are as follows (in thousands):

	2022
Actuarial present value of accumulated plan benefits as of May 31, 2021	\$ 957,119
Increase (decrease) during the year attributable to:	
Benefits accumulated and gains	81,861
Interest due to the decrease in discount period	59,967
Benefits paid	(63,800)
Change in assumptions	16,228
Net increase	94,256
Actuarial present value of accumulated plan benefits as of May 31, 2022	\$ 1,051,375

FedEx Freight Pension Plan

Notes to Financial Statements (continued)

3. Accumulated Plan Benefits (continued)

The actuarial present value of accumulated plan benefits is determined by the Plan's actuary. The significant actuarial assumptions and method used in the valuation are as follows:

	Current Year	Prior Year
Assumed rate of return	6.50%	6.50%
Mortality basis	Club Vita's 2021 US VitaCurves model and Pri-2012 mortality table with MP-2021 projection scale	Club Vita's 2021 US VitaCurves model and Pri-2012 mortality table with MP-2021 projection scale
Retirement age	Ranges from 2.0% at age 55 to 100% at age 71	Ranges from 2.0% at age 55 to 100% at age 71
Ultimate weighted average retirement age	66	66
Cost method	Unit credit funding method with an interest crediting rating of: - 4% for 6/1/2022 – 5/31/2023 - 5.68% for 6/1/2023 – 5/31/2024 - 4.84% for 6/1/2024 – 5/31/2025 - 4% thereafter	Unit credit funding method with an interest crediting rating of 4%

These actuarial assumptions are based on the presumption that the Plan will continue. If the Plan were to be terminated, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. The actuary estimated the accumulated plan benefits as of June 1, 2022. There were no significant changes to the Plan that would have changed the valuations had they been performed as of May 31, 2022. The accumulated plan benefits information presented herein does not include the effects of the merger into the FedEx Corporation Employees' Pension Plan (see Note 1).

FedEx Freight Pension Plan

Notes to Financial Statements (continued)

4. Master Trust Investment Account and Fair Value Measurements

At May 31, 2023 and 2022, the Plan's interest in the net assets of the Master Trust was approximately 0% and 4.6%, respectively. The Master Trust assets are allocated among the participating plans by assigning to each plan those transactions (primarily contributions, benefit payments, and plan-specific expenses) that can be specifically identified. Investment income and expenses relating to the Master Trust are allocated pro rata based on the relative fair values of the assets of each of the plans participating in the Master Trust.

The Plan's fair value measurements are based on the following three levels of inputs used to measure fair value:

Level 1 – Inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 – Inputs are quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly.

Level 3 – Valuations are derived from unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Investments are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Following is a description of the valuation methodologies used for investments measured at fair value:

Cash, cash equivalents, collective trust funds and foreign currency – The Level 1 investments include cash, cash equivalents, and foreign currency valued using exchange rates. The Level 2 investments include short-term investment funds that are collective funds priced at a constant value by the administrator of the funds.

Common stock, preferred stock, and mutual funds – The Level 1 investments are valued at the closing price or last trade reported on the major market on which the individual securities are traded.

Corporate bonds, U.S. government securities, and other bonds – The Company determines the fair value of Level 2 corporate bonds, U.S. and non-U.S. government securities, and other fixed-income securities by using bid evaluation pricing models or quoted prices of securities with similar characteristics.

FedEx Freight Pension Plan

Notes to Financial Statements (continued)

4. Master Trust Investment Account and Fair Value Measurements (continued)

Swaps, options, and futures – The derivative instruments include futures contracts, interest rate swaps, credit default swaps, and option contracts. All derivatives are recorded at fair value based on observable inputs and represent less than 1% of the Master Trust at May 31, 2023.

Limited partnerships – The valuation of Level 3 investments requires significant judgment due to the absence of quoted market prices, the inherent lack of liquidity and the long-term nature of such assets. Investments in private equity, debt, real estate, hedge funds, and other private investments are valued at estimated fair value based on quarterly financial information received from the investment advisor and/or general partner. These estimates incorporate factors such as contributions and distributions, market transactions, market comparables, and performance multiples.

Other investments measured at NAV, practical expedient – Investments include collective trust funds, commingled funds, and limited partnerships that are valued using net asset value as the practical expedient.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The other investments measured at net asset value, practical expedient caption below include investments in various collective trust funds and commingled funds totaling \$8.8 billion and \$8.7 billion at May 31, 2023 and 2022, respectively. The primary strategies are described below:

- Equity funds seek to match or exceed the investment return over the long term of various equity benchmarks, including the S&P 500, MSCI ACWI, MSCI EFEA, and MSCI EM. Actively managed funds will have greater tracking error to the benchmarks, as compared to index funds (\$3.8 billion). Redemption requirements range from no restrictions on index funds to 90 days on certain international strategies.
- Government bond funds will seek to closely replicate the performance of the U.S. Treasury Long Government Bond Index and the ICE Leveraged U.S. Treasury Indices (\$1.8 billion). No redemption requirements.

FedEx Freight Pension Plan

Notes to Financial Statements (continued)

4. Master Trust Investment Account and Fair Value Measurements (continued)

- Funds in the opportunistic credit category will consist largely of higher yield fixed income investments, including global high yield, emerging market debt, private credit, and other securitized debt. Benchmarks for these funds will vary, but can include the Bloomberg Barclay's High Yield Index, Credit Suisse Leveraged Loan Index, JP Morgan EMBI Global Diversified Index, and JP Morgan CEMBI Broad Diversified Index. These funds are actively managed and returns display tracking error from its respective benchmark (\$1 billion). Range from monthly to quarterly notices for redemptions.
- Fund categorized as hedge funds will seek to provide diversified investment returns over the long term that are non-correlated with equity or bond funds and have an absolute return objective. These funds typically have restricted liquidity terms ranging from monthly to annual redemption dates. Some of these vehicles have initial lock up periods ranging from one to two years (\$1.6 billion). Initial lock-up term 0 – 2 years (1 year typical); redemptions thereafter range from monthly to annually (quarterly most typical).
- Infrastructure investments – a form of “real assets,” which contain physical assets such as bridges, roads, sewage systems, utilities, and energy (\$533 million). These funds have lockup periods of three to four years (funds may be redeemed sooner, but a penalty is charged). Redemptions thereafter are either quarterly or semi-annually with 90 days' notice. These funds are open-ended, meaning there is no fixed investment or disposition period.

The other investments measured at net asset value, practical expedient caption below also include investments in limited partnerships with broad and varied portfolios of private equity, private real estate and private credit investments totaling \$919 million and \$830 million at May 31, 2023 and 2022, respectively. The expected remaining life of these investments is in excess of five years.

FedEx Freight Pension Plan

Notes to Financial Statements (continued)

4. Master Trust Investment Account and Fair Value Measurements (continued)

The following table sets forth, by level within the fair value hierarchy, the Master Trust investments at fair value as of May 31, 2023 (in thousands):

	Level 1	Level 2	Level 3	Master Trust Total	Plan's Interest in Master Trust
Common stock, domestic and foreign, and mutual funds	\$ 3,938,765	\$ 4,828	\$ –	\$ 3,943,593	\$ –
Corporate bonds – preferred and other	–	6,412,067	–	6,412,067	–
U.S. government securities	–	2,348,653	–	2,348,653	–
Limited partnerships	–	–	937,972	937,972	–
Other bonds	–	679,450	–	679,450	–
Cash, cash equivalents, collective trust funds and foreign currency	22,149	794,233	–	816,382	–
Preferred stock	17,577	–	–	17,577	–
Swaps, options, and futures	643	3,691	–	4,334	–
Other	3,042	3,727	–	6,769	–
Other investments measured at net asset value, practical expedient	–	–	–	9,726,706	–
Due to broker	(37,038)	–	–	(52,897)	–
Total net assets	\$ 3,945,138	\$ 10,246,649	\$ 937,972	\$ 24,840,606	\$ –

FedEx Freight Pension Plan

Notes to Financial Statements (continued)

4. Master Trust Investment Account and Fair Value Measurements (continued)

The following table sets forth by level within the fair value hierarchy the Master Trust investments at fair value as of May 31, 2022 (in thousands):

	Level 1	Level 2	Level 3	Master Trust Total	Plan's Interest in Master Trust
Common stock, domestic and foreign, and mutual funds	\$ 4,575,210	\$ 5,614	\$ –	\$ 4,580,824	\$ 209,793
Corporate bonds – preferred and other	–	6,766,269	–	6,766,269	309,882
U.S. government securities	–	2,612,074	–	2,612,074	119,628
Limited partnerships	–	–	812,257	812,257	37,200
Other bonds	–	522,525	–	522,525	23,931
Cash, cash equivalents, collective trust funds and foreign currency	28,925	1,136,668	–	1,165,593	53,382
Preferred stock	22,727	–	–	22,727	1,041
Swaps, options, and futures	229	(2,065)	–	(1,836)	(85)
Other	11,590	4,300	–	15,890	728
Other investments measured at net asset value, practical expedient	–	–	–	9,550,393	437,389
Due to broker	(36,413)	–	–	(51,209)	(2,345)
Total net assets	\$ 4,602,268	\$ 11,045,385	\$ 812,257	\$ 25,995,507	\$ 1,190,544

Net investment gains (losses), in aggregate, for the Master Trust for the years ended May 31 were as follows (in thousands):

	2023	2022
Net depreciation in fair value of investments	\$ (1,158,377)	\$ (3,536,052)
Interest and dividend income	462,699	454,406
Investment expense	(42,780)	(47,668)
Other income	61,892	44,466
Total loss, net	\$ (676,566)	\$ (3,084,848)

FedEx Freight Pension Plan

Notes to Financial Statements (continued)

4. Master Trust Investment Account and Fair Value Measurements (continued)

The Master Trust held Level 3 investments in venture capital and partnership investments during the year. The expected remaining life of these investments is in excess of five years. Realized and unrealized gains and losses are reported in net investments results from the Master Trust on the statements of changes in net assets available for benefits. All partnership investments are restricted from withdrawal and transfer. The table below summarizes the changes in fair value of the Level 3 investments attributable to purchases and sales of venture capital and partnership investments for the years ended May 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Purchases	\$ 76,662	\$ 156,816
Sales	(45,425)	(114,668)

5. Derivatives

As discussed in Note 2, the Master Trust, through activities of certain of its investment managers, uses derivative financial instruments on a discretionary basis to improve investment returns and manage exposure to market risk.

The intent is to use derivative financial instruments as economic hedges to manage interest rate risk associated with the Plan's investment assets. The Plan's fiduciaries do not anticipate any material adverse effect on the Plan's financial position resulting from its involvement in these instruments.

At May 31, 2023 and 2022, the Master Trust's investments in derivatives include money market fund futures, treasury note/treasury bond futures, interest rate and credit default swaps, and options. The 2023 fiscal year derivative activity consisted of \$9.7 billion and \$9.4 billion in purchases and sales, respectively. In comparison, the 2022 fiscal year derivative activity consisted of \$9.5 billion and \$9.4 billion in purchases and sales, respectively. Gains (losses) are included in the Master Trust's net investment gains (losses) as net appreciation (depreciation) in fair value of investments (see Note 4).

FedEx Freight Pension Plan

Notes to Financial Statements (continued)

5. Derivatives (continued)

The following table presents the effect of gains (losses) with respect to these derivative instruments (amounts in millions):

	Year Ended May 31	
	2023	2022
Futures	\$ (4)	\$ –
Swaps	3	11
Options	(10)	(11)

Futures contracts within the Master Trust consist of Eurodollar futures and treasury bond and note futures that are used to manage interest rate exposures. These contracts are agreements between two parties to buy or sell a security at a set price on a future date and are standardized and exchange-traded. The parties settle the futures on a daily basis in cash. The futures are based on short-term interest rates and do not require cash collateral, because they do not require the delivery of an asset at expiration. The notional amount related to futures contracts outstanding at May 31, 2023 and 2022 was \$226 million and \$20 million, respectively.

The Master Trust's investments in interest rate swaps are instruments in which each counterparty agrees to pay either a fixed or floating rate denominated in a particular currency to the other counterparty based on the notional amount of the interest rate swap. The notional amount is generally not exchanged between counterparties, but is used for calculating the size of cash flows to be exchanged. Interest rate swaps are not settled daily, and the fair value and exposure to gain or loss at any point in time is based on the daily price movement. The notional amount of interest rate swaps outstanding at May 31, 2023 and 2022 is \$8 million and \$(1) million, respectively. The interest rate swaps are backed by their own collateral, and the amount of collateral required and recorded at May 31, 2023 and 2022 was not significant to the Master Trust's investments.

The Master Trust's investments in credit default swaps are instruments in which, for a fee, a protection seller agrees to reimburse a protection buyer for any losses that occur due to a credit event on a reference entity. If there is no credit default event or settlement trigger, as defined by the specific derivative contract, then the protection seller makes no payments to the protection buyer and receives only the contractually specified fee. However, if a credit event occurs, as defined in the specific derivative contract sold, the protection seller will be required to make a payment to the protection buyer. The notional amount related to credit default swaps outstanding at May 31, 2023 and 2022 is \$879 thousand and \$642 thousand, respectively.

FedEx Freight Pension Plan

Notes to Financial Statements (continued)

5. Derivatives (continued)

The Master Trust's investments in option contracts consist of options to purchase or write interest rate swaps. These instruments are agreements between two parties giving the owner, under a purchased option, the right, but not the obligation, to buy or sell a specified item at a fixed price during a specified period, and under a written option the obligation to sell or buy a specified item at a fixed price. Options may be written or purchased to help manage exposure to the securities markets. An option writer bears the market risk of an unfavorable change in the price of the underlying instrument. The risk associated with purchasing put and call options is limited to the premium paid. Premiums paid or received from purchasing or writing options are recorded as realized gains or losses when the options expire. The difference between the premium and the amount paid or received on affecting a closing purchase or sale transaction is also treated as a realized gain or loss. If an option is exercised, the premium paid or received is recorded as a realized gain or loss if sold or an adjustment to cost of the underlying investment if acquired upon exercise. The notional amount related to option contracts outstanding at May 31, 2023 and 2022 is \$1 million and \$(1) million, respectively.

The following table presents the gross values of the derivatives in the Master Trust as of May 31 (in thousands):

	2023	2022
Swaps assets	\$ 466,618	\$ 217,880
Options assets	27,073	18,443
Futures assets	2,493	3,474
Swaps liabilities	(455,327)	(206,614)
Options liabilities	(33,294)	(32,058)
Futures liabilities	(3,229)	(2,961)
Total net derivatives	\$ 4,334	\$ (1,836)

FedEx Freight Pension Plan

Notes to Financial Statements (continued)

6. Risks and Uncertainties

The Master Trust invests in various investment securities. Investment securities are exposed to various risks such as market, interest rate, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits. Additionally, the Master Trust is exposed to risks from unfavorable changes in interest rates or market values of the securities underlying derivative financial instruments and credit risk in the event of nonperformance by the counterparties to such derivative instruments. Exposure to credit risk is partially mitigated by requiring settlement with counterparties as frequently as daily and/or requiring settlement based upon pre-established dollar amount limits with those counterparties. The Master Trust does not anticipate nonperformance by the counterparties and generally does not require counterparty collateral.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption processes, it is at least reasonably possible that changes in these estimates and assumptions in the near term could materially affect the amounts reported and disclosed in the financial statements.

At May 31, 2023 and 2022, the Master Trust has future investment commitments of approximately \$923 million and \$807 million, respectively, related to its limited partnerships and venture capital investments.

7. Income Tax Status

The Plan received a determination letter from the Internal Revenue Service (IRS), dated June 26, 2014, stating that the Plan is qualified under Section 401(a) of the Internal Revenue Code (the U.S. Code), and therefore, the related trust is exempt from taxation under the U.S. Code. The Plan received a determination letter from the Puerto Rico Treasury, dated January 19, 2017, stating that the Plan is qualified under Section 1081.01 of the Internal Revenue Code for a New Puerto Rico (the Puerto Rico Code) and, therefore, the related trust is exempt from taxation under the Puerto Rico Code. The Plan was subsequently amended, for which the Puerto Rico Treasury restated its opinion in a letter, dated June 5, 2018. Subsequent to these determinations by the IRS and the Puerto Rico Treasury, the Plan has been amended and restated several times. An application for an updated determination letter was filed with the Puerto Rico Treasury on September 15, 2022,

FedEx Freight Pension Plan

Notes to Financial Statements (continued)

7. Income Tax Status (continued)

and is currently pending. Once qualified, the Plan is required to operate in conformity with the U.S. Code and the Puerto Rico Code to maintain its qualification. The Plan administrator believes the Plan is being operated in compliance with the applicable requirements of the U.S. Code and the Puerto Rico Code and, therefore, believes that the Plan, as amended, is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan administrator has analyzed the tax positions taken by the Plan and has concluded that there are no uncertain tax positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

8. Subsequent Events

On December 29, 2023, the Puerto Rico Treasury issued determination letters for the Plan: as amended and restated January 1, 2020; and as amended and restated January 1, 2022. Management evaluated subsequent events for the Plan through February 29, 2024, the date the financial statements were available to be issued.

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Schedule SB, line 26 — Schedule of Active Participant Data

Distribution of active participants as of June 1, 2022

Attained age	Years of credited service										Total
	Under 1	1–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40 & up	
Under 25	15	859	124								998
		3,170	7,085								
		41,810	59,107								
25–29	50	1,235	1,256	68							2,609
	382	4,041	9,957	17,801							
	31,715	49,313	65,458	75,375							
30–34	49	1,190	1,684	662	46						3,631
	474	4,696	12,078	21,281	28,188						
	29,380	54,911	70,566	79,475	81,879						
35–39	41	1,099	1,430	676	396	14					3,656
	869	5,098	12,883	23,927	32,086						
	32,193	59,994	73,436	80,446	84,065						
40–44	34	987	1,227	657	524	271	6				3,706
	1,846	5,269	13,083	25,392	37,020	40,604					
	40,877	60,319	73,850	81,135	87,798	88,208					
45–49	38	836	1,166	843	734	573	271	12			4,473
	756	5,265	13,734	26,825	40,368	47,753	52,292				
	27,006	59,335	75,140	81,781	86,754	90,780	92,228				
50–54	33	796	1,137	879	1,026	840	606	167	6		5,490
	330	5,460	14,869	28,560	44,091	53,402	62,271	65,801			
	40,705	58,880	73,845	79,330	86,301	88,285	92,284	93,302			
55–59	24	613	830	762	867	840	791	256	74	2	5,059
	942	6,053	15,946	32,794	47,608	59,079	70,975	74,212	75,584		
	38,627	54,789	71,977	80,819	84,256	87,147	92,338	89,658	94,314		
60–64	10	350	512	538	651	667	591	233	83	31	3,666
		6,282	17,245	35,677	52,816	63,638	77,667	82,196	74,923	80,553	
		52,830	64,826	77,508	81,770	81,851	90,696	92,662	89,154	90,681	
65–69	6	101	151	142	211	170	186	84	31	22	1,104
		5,517	17,706	35,469	56,685	68,920	82,149	87,726	77,789	102,701	
		39,591	58,781	69,301	77,535	82,164	87,127	89,947	79,439	112,093	
70 & up	3	33	33	17	41	45	41	11	3	4	231
		3,758	13,483		57,669	62,626	85,355				
		27,452	45,731		69,430	62,973	82,363				
Total	303	8,099	9,550	5,244	4,496	3,420	2,492	763	197	59	34,623
											27,667
											73,762

In each cell, the top number is the count of active participants for each age/service combination, the middle number is the average account balance and the bottom number is average pay limited to \$290,000. Average pay and average account balance are not shown for cells with fewer than 20 participants.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Actuarial assumptions for June 1, 2022 funding valuation**

Discount rate sponsor elections			
• Segment rates or full yield curve	Segment		
• Look-back months	0		
	Stabilized	Nonstabilized	PBGC
• First 5 years	4.75%	1.02%	3.23%
• Next 15 years	5.18%	2.80%	4.59%
• Over 20 years	5.92%	3.38%	4.69%
Mortality sponsor elections			
• Healthy participants	Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables. These tables are based on the RP-2014 mortality tables with improvement beyond 2006 removed and future mortality improvement based on IRS methodology and static projection scale MP-2020.		
Other economic assumptions			
• Interest accumulation rate	4.00% compounded quarterly	Rationale: This assumption is based on current and expected near-term yields on 1-Year Treasury Securities, adjusted by the current and expected future spread between liability discount rates and 1-Year Treasury yields using Mercer's Capital Market Outlook.	
• Whipsaw calculations	No		
• Annuity conversion			
– Mortality table	Not applicable		
– Interest rate basis	Not applicable		
• Salary increases	Age based rates – see sample rates	Rationale: The salary scale is based on salary experience from 2013 through 2017 plan years, further adjusted for 2022 – 2023 pay (based on discussions with FedEx regarding bonus and planned merit increases) as follows:	
		<ul style="list-style-type: none"> - 2022 pay assumption to equal 2021 pay x (1 + ultimate age based scale minus 3.00%). - 2023 pay assumption to equal 2022 pay x (1 + ultimate age based scale plus 1.50%). - 2024+ pay assumption to equal prior year pay x (1 + ultimate age based scale). 	
• Inflation Assumption	2.50%	Rationale: This assumption is based on the inflation assumption periodically published by mercer Investment consulting in its Capital Markets Outlook.	
• Expected investment return	6.50% per year for 2021 (limited to 6.11%) and 6.50% per year for 2022 (limited to 5.92%)		

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

	Rationale: This assumption is based on a combination of historical asset returns and future outlook derived from the plan’s target asset allocation and inputs from Mercer Investment Consulting.
<ul style="list-style-type: none"> Flat rate used to approximate 417(e) segment rates used to convert to optional forms of payment 	4.50% per year
<ul style="list-style-type: none"> Expenses 	<p>\$6,000,000 added to current year normal cost</p> <p>Rationale: This assumption is based on the average of the last three years’ non-PBGC administrative expenses paid from the trust, plus the anticipated PBGC premiums for the current year.</p>

Demographic assumptions

<ul style="list-style-type: none"> Withdrawal 	<p>See table of sample rates.</p> <p>Rationale: The withdrawal rates are based on withdrawal experience from FY17 through FY21.</p>									
<ul style="list-style-type: none"> Disability incidence 	<p>1985 Pension Disability Table, Class 1 - See table of sample rates</p> <p>Rationale: The disability rates are based on a standard table since plan experience is not credible. Class 1 was chosen because it best suits the occupation of the active population.</p>									
<ul style="list-style-type: none"> Retirement age 	<p>See table of sample rates.</p> <p>Average assumed ultimate retirement age is 65.9.</p> <p>Rationale: Retirement rates are based on experience from 2013-2017, adjusted for a continuing trend toward later retirement.</p>									
<ul style="list-style-type: none"> Benefit commencement age for <ul style="list-style-type: none"> Future vested deferred Current vested deferred Future disabled Future deaths 	<p>Traditional Pension Benefit – age 65</p> <p>Portable Pension Account – 50% immediate, 50% deferred to age 65</p> <p>Traditional Pension Benefit – age 65</p> <p>Portable Pension Account – For current vested deferred participants that terminated employment within the prior year, it is assumed that 50% of them will choose the PPA balance to be paid as an immediate lump sum or life annuity. For current vested deferred participants that terminated employment at least one year ago, it is assumed that 50% of them will choose the PPA balance to be paid as a lump sum or life annuity at age 65.</p> <p>Traditional Pension Benefit – age 65</p> <p>Portable Pension Account – age 65</p> <p>Traditional Pension Benefit – age 55</p> <p>Portable Pension Account – immediate</p> <p>Rationale: Based on experience from 2013-2017.</p>									
<ul style="list-style-type: none"> Spouse assumptions <ul style="list-style-type: none"> Percentage married Spouse age difference 	<table border="1"> <thead> <tr> <th></th> <th>Male participants</th> <th>Female participants</th> </tr> </thead> <tbody> <tr> <td>Percentage married</td> <td>70%</td> <td>50%</td> </tr> <tr> <td>Spouse age difference</td> <td>3 years younger</td> <td>2 years older</td> </tr> </tbody> </table>		Male participants	Female participants	Percentage married	70%	50%	Spouse age difference	3 years younger	2 years older
	Male participants	Female participants								
Percentage married	70%	50%								
Spouse age difference	3 years younger	2 years older								

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Form of payment	
• Traditional Pension Benefit	All participants are assumed to elect payment of Traditional Plan Benefits in the form of a single life annuity. Beneficiaries of deceased participants are assumed to receive their portion of the 50% joint and survivor annuity.
• Portable Pension Account	90% of participants are assumed to elect payment in the form of a lump sum and 10% single life annuity.
Future Service Credits	Only participants who worked at least 1,000 hours in the prior plan year are assumed to earn a full year of service for all future years. Participants who worked less than 1,000 hours in the prior plan year are assumed not to earn any years of service in future years.
Unpredictable contingent event assumptions	Not applicable

Table of sample rates

Attained age	Percentage						
	Disability		Withdrawal				
	Male	Female	1 Year	2 Years	3 Years	4 Years	5+ Years
25	.038%	.047%	12.1%	17.2%	15.3%	14.1%	10.2%
30	.048%	.080%	10.2%	14.3%	12.4%	11.0%	7.1%
35	.069%	.136%	9.5%	13.1%	11.2%	9.8%	6.0%
40	.117%	.211%	8.9%	12.2%	10.3%	8.8%	5.5%
45	.202%	.323%	8.3%	11.2%	9.3%	8.1%	5.0%
50	.358%	.533%	7.7%	10.3%	8.7%	7.6%	4.5%
55	.722%	.952%	7.1%	9.8%	8.3%	7.1%	4.0%
60	1.256%	1.159%	6.8%	9.3%	7.8%	6.6%	3.5%

Age	Salary increases		
	2021	2022	2023+
25	8.25%	12.75%	11.25%
30	5.00%	9.50%	8.00%
35	3.50%	8.00%	6.50%
40	2.00%	6.50%	5.00%
45	1.00%	5.50%	4.00%
50	0.75%	5.25%	3.75%
55	0.00%	4.50%	3.00%

Average annual increase based on years 2023+, from age 35 (average age of hire) to age 66 (average assumed ultimate retirement age): 3.91%.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Attained age	Percentage						
	Retirement – based on Year						
	2022	2023	2024	2025	2026	2027	2028+
55	4.7%	4.3%	3.8%	3.4%	2.9%	2.5%	2.0%
56-59	3.5%	3.3%	3.0%	2.8%	2.5%	2.3%	2.0%
60-61	6.7%	6.3%	5.8%	5.4%	4.9%	4.5%	4.0%
62	12.7%	12.3%	11.8%	11.4%	10.9%	10.5%	10.0%
63-64	11.0%	10.2%	9.4%	8.6%	7.7%	6.9%	6.0%
65-70	17.7%	17.3%	16.8%	16.4%	15.9%	15.5%	15.0%
71 and Above	100%	100%	100%	100%	100%	100%	100%

Actuarial methods for funding**Asset methods**

The asset valuation method is an average of the adjusted market value for each month during the last 3 months preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is adjusted to be no greater than 110% and no less than 90% of the fair market value, as defined in IRC Section 430.

A characteristic of this asset method is that, over time, it is slightly more likely to produce an actuarial value of assets that is less than the market value of assets than an actuarial value that is greater than the market value.

Participant methods

Participants or former participants are included or excluded from the valuation as described below:

- **Participants included:** The plan sponsor provides us with data on all employees as of the valuation date, but only those employees who have completed the plan's eligibility requirements are included in the valuation of liabilities.
- **Participants excluded:** No actuarial liability is included for nonvested participants who terminated prior to the valuation date.
- **Insurance contracts:** The plan does not have any insurance contracts.

Minimum funding methods

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual is the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.
- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

**SCHEDULE SB
(Form 5500)**

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation

**Single-Employer Defined Benefit Plan
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2022

This Form is Open to Public Inspection

For calendar plan year 2022 or fiscal plan year beginning 06/01/2022 and ending 05/31/2023

▶ **Round off amounts to nearest dollar.**

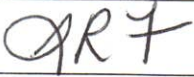
▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan FEDEX FREIGHT PENSION PLAN		B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF FEDEX FREIGHT, INC.		D Employer Identification Number (EIN) 71-0562003	
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B		F Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500	

Part I Basic Information			
1	Enter the valuation date: Month <u>06</u> Day <u>01</u> Year <u>2022</u>		
2	Assets:		
	a Market value	2a	1,258,553,303
	b Actuarial value	2b	1,327,485,269
3	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target
	a For retired participants and beneficiaries receiving payment.....	1,553	87,014,197
	b For terminated vested participants.....	9,448	157,298,808
	c For active participants	34,623	904,373,787
	d Total.....	45,624	1,148,686,792
4	If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>		
	a Funding target disregarding prescribed at-risk assumptions	4a	
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b	
5	Effective interest rate	5	5.45%
6	Target normal cost		
	a Present value of current plan year accruals.....	6a	62,533,787
	b Expected plan-related expenses	6b	6,000,000
	c Total (line 6a + line 6b)	6c	68,533,787

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	 Signature of actuary	<u>2/15/2024</u> Date
	STACY R. FRANKLIN, ASA Type or print name of actuary	2307095 Most recent enrollment number
	MERCER Firm name	901-684-3100 Telephone number (including area code)
	6410 Poplar Ave Suite 540 MEMPHIS TN 38119 Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions

For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:

a Segment rates:	1st segment: 4.75 %	2nd segment: 5.18 %	3rd segment: 5.92 %	<input type="checkbox"/> N/A, full yield curve used
b Applicable month (enter code)				21b 0

22 Weighted average retirement age **22** 66

23 Mortality table(s) (see instructions) Prescribed - combined Prescribed - separate Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment..... Yes No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment..... Yes No

26 Demographic and benefit information

a Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment..... Yes No

b Is the plan required to provide a projection of expected benefit payments? If "Yes," see instructions regarding required attachment... Yes No

27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment..... **27**

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6c)	31a	68,533,787
b Excess assets, if applicable, but not greater than line 31a	31b	68,533,787

32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment		0	0
b Waiver amortization installment.....		0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount..... **33**

34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)....	34	0	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances.....	38b		
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under the American Rescue Plan Act of 2021 (See Instructions)

41 If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies. 2019 2020 2021

Schedule SB, line 22 — Description of Weighted Average Retirement Age

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 64 for retirements in 2022 and 66 for retirements in 2028 and after.

Retirements in 2022:

(A) Retirement Age	(B) Retirement Percentage	(C) L _x	(D) Number of employees expected to retire (B) * (C)	(E) (A) * (D)
55	4.70%	100,000	4,700	258,500
56	3.50%	95,300	3,336	186,816
57	3.50%	91,964	3,219	183,483
58	3.50%	88,745	3,106	180,148
59	3.50%	85,639	2,997	176,823
60	6.70%	82,642	5,537	332,220
61	6.70%	77,105	5,166	315,126
62	12.70%	71,939	9,136	566,432
63	11.00%	62,803	6,908	435,204
64	11.00%	55,895	6,148	393,472
65	17.70%	49,747	8,805	572,325
66	17.70%	40,942	7,247	478,302
67	17.70%	33,695	5,964	399,588
68	17.70%	27,731	4,908	333,744
69	17.70%	22,823	4,040	278,760
70	17.70%	18,783	3,325	232,750
71	100.00%	15,458	15,458	1,097,518
Total			100,000	6,421,211
Average				64.21

Schedule SB, line 22 — Description of Weighted Average Retirement Age**Retirements in 2028 or after:**

(A) Retirement Age	(B) Retirement Percentage	(C) L _x	(D) Number of employees expected to retire (B) * (C)	(E) (A) * (D)
55	2.0%	100,000	2,000	110,000
56	2.0%	98,000	1,960	109,760
57	2.0%	96,040	1,921	109,497
58	2.0%	94,119	1,882	109,156
59	2.0%	92,237	1,845	108,855
60	4.0%	90,392	3,616	216,960
61	4.0%	86,776	3,471	211,731
62	10.0%	83,305	8,331	516,522
63	6.0%	74,974	4,498	283,374
64	6.0%	70,476	4,229	270,656
65	15.0%	66,247	9,937	645,905
66	15.0%	56,310	8,447	557,502
67	15.0%	47,863	7,179	480,993
68	15.0%	40,684	6,103	415,004
69	15.0%	34,581	5,187	357,903
70	15.0%	29,394	4,409	308,630
71	100.0%	24,985	24,985	1,773,935
Total			100,000	6,586,383
Average				65.86

Schedule SB, line 26b – Schedule of Projection of Expected Benefit Payments

Plan Year	Active Participants	Terminated Vested Participants	Retired Participants and Beneficiaries Receiving Payments	Total
2022	61,014,397	37,314,800	7,192,076	105,521,273
2023	53,818,319	4,741,122	7,135,553	65,694,994
2024	54,969,145	4,312,369	7,073,135	66,354,649
2025	55,707,289	6,462,994	7,003,520	69,173,803
2026	56,849,495	6,134,508	6,927,001	69,911,004
2027	58,799,119	6,581,862	6,837,638	72,218,619
2028	58,912,653	7,326,130	6,739,064	72,977,847
2029	60,373,128	7,776,226	6,630,723	74,780,077
2030	62,573,352	7,950,163	6,514,277	77,037,792
2031	62,820,527	8,388,541	6,382,720	77,591,788
2032	63,742,026	9,624,173	6,220,144	79,586,343
2033	64,931,261	8,728,774	6,050,678	79,710,713
2034	66,490,366	9,041,799	5,863,815	81,395,980
2035	65,927,775	9,675,531	5,642,913	81,246,219
2036	65,604,108	10,898,681	5,398,411	81,901,200
2037	62,334,137	9,781,208	5,163,750	77,279,095
2038	62,538,660	8,892,251	4,926,543	76,357,454
2039	58,384,935	9,136,573	4,674,399	72,195,907
2040	55,903,108	9,184,735	4,408,135	69,495,978
2041	53,698,588	9,062,662	4,129,115	66,890,365
2042	50,185,496	8,842,984	3,839,271	62,867,751
2043	47,144,421	8,913,751	3,541,136	59,599,308
2044	44,814,884	8,213,069	3,237,830	56,265,783
2045	42,184,682	8,466,953	2,933,010	53,584,645
2046	39,419,275	8,126,621	2,630,725	50,176,621
2047	38,026,752	8,213,637	2,335,219	48,575,608
2048	35,775,582	8,378,752	2,050,684	46,205,018
2049	35,877,605	8,616,584	1,780,967	46,275,156
2050	34,245,667	8,304,823	1,529,324	44,079,814
2051	32,561,495	7,675,936	1,298,284	41,535,715
2052	31,036,189	7,381,841	1,089,547	39,507,577
2053	29,885,811	7,291,523	903,985	38,081,319
2054	27,944,402	7,237,233	741,678	35,923,313
2055	28,219,829	6,897,155	601,982	35,718,966
2056	26,133,689	6,467,613	483,643	33,084,945
2057	23,528,155	5,542,189	384,944	29,455,288
2058	20,874,726	5,182,565	303,861	26,361,152
2059	18,517,760	4,219,541	238,217	22,975,518
2060	15,955,944	3,177,875	185,800	19,319,619
2061	13,828,520	2,572,683	144,476	16,545,679
2062	11,414,738	2,046,301	112,272	13,573,311
2063	9,588,704	1,713,654	87,425	11,389,783
2064	8,028,885	1,520,774	68,409	9,618,068
2065	5,858,745	1,131,014	53,936	7,043,695
2066	4,495,438	944,423	42,950	5,482,811
2067	3,874,721	830,610	34,602	4,739,933
2068	3,326,186	735,361	28,225	4,089,772
2069	2,900,846	649,833	23,307	3,573,986
2070	2,532,251	573,156	19,458	3,124,865
2071	2,198,942	504,476	16,395	2,719,813

Schedule SB, Part V — Summary of Plan Provisions

Summary of major plan provisions

Effective date and plan year	Original plan: January 1, 2007 Restated plan: June 1, 2013 Most recent amendment effective December 31, 2021 Plan year: June 1 to May 31
Status of the plan	<ul style="list-style-type: none"> The plan has ongoing benefit accruals for certain participants. The plan is closed; employees hired or rehired on or after January 1, 2020 are not eligible to participate in the plan. Benefit accruals were frozen effective December 31, 2021 for participants electing to move to the new 401(k) plan. PPA interest credits continue for these participants.
Significant events that occurred during the year	None
Definitions	
<ul style="list-style-type: none"> Sponsoring employer 	FedEx Freight, Inc./FedEx Corporation
<ul style="list-style-type: none"> Participating employees 	Employees of FedEx Freight, Inc.
<ul style="list-style-type: none"> Eligibility 	Each employee on the effective date is eligible to participate in the plan provided he has completed 1,000 hours of service in a preceding year, attained age 21 and is not a member of a collective bargaining unit which has bargained for pension benefits or for higher wages or other benefits in lieu of pension benefits. Each employee not eligible on the effective date and each employee hired after the effective date but prior to January 1, 2020 will enter the plan on the first of the month coincident with or next following the anniversary of his date of hire upon completion of 1,000 hours of service in a year and attainment of age 21, unless he is excluded for the reasons indicated above. The term “employee” includes employees of FedEx Freight East, Inc. and, effective June 1, 2008, employees of FedEx Freight West, Inc. and FedEx Freight System, Inc., and effective June 1, 2009, employees of FedEx National LTL, Inc. System, Inc., and effective June 1, 2009, employees of FedEx National al LTL, Inc.
<ul style="list-style-type: none"> Employee contributions 	None.
<ul style="list-style-type: none"> Service considered 	<p>Credited Service</p> <p>Credited service as of May 31, 2006 is equal to the total number of whole years of employment with FedEx Freight East, Inc. (or predecessor). For employees with multiple employment periods prior to May 31, 2006, the number of days for each employment period is aggregated and divided by 365 days.</p> <p>For plan years beginning on or after June 1, 2006, a year of credited service is granted for completion of 1,000 or more hours of service in a plan year (June 1- May 31) while with FedEx Freight East, Inc.</p> <p>Effective June 1, 2008, credited service includes service earned under the FedEx Freight West, Inc. Pension Plan as it existed prior to merging with this Plan.</p> <p>Effective June 1, 2009, credited service includes completed years of service earned while employed at FedEx National LTL, Inc.</p>

Schedule SB, Part V — Summary of Plan Provisions

Vesting Service

As of December 31, 2006, employees will be granted the number of years of vesting service as earned under the FedEx Freight East, Inc. Retirement Savings Plan.

For plan years beginning on or after June 1, 2006, a year of vesting service is granted for completion of 1,000 or more hours of service in a plan year (June 1- May 31) with any controlled group member.

Effective June 1, 2008, vesting service includes service earned under the FedEx Freight West, Inc. Pension Plan, as it existed prior to merging with this Plan.

Effective June 1, 2009, credited service includes completed years of service earned while employed at FedEx National LTL, Inc.

- Compensation Considered

Earnings are defined as total compensation from all Controlled Group Members limited to \$200,000 for calendar years up to 2002, indexed each year thereafter in accordance with Section 401(a)(17) of the Internal Revenue Code.

- Accrued benefit

Portable Pension Account – A notional account shall be established for each Portable Pension Account participant as of the later of the Participant’s Entry Date and May 31, 2007. Accounts shall be credited with Compensation and Interest Credits.

Compensation Credits - A participant’s Portable Pension Account will be credited each Plan Year in which he is credited with 1,000 hours with a Compensation Credit equal to a percentage of the participant’s Compensation for the calendar year ending in the Plan Year, such percentage to be determined from the table below:

Age + Credited Service as of prior plan year end	Percentage of Compensation
Less than 55	3.0%
55 but less than 65	4.0%
65 but less than 75	5.0%
75 and higher	6.0%

Interest Credits - A participant’s Portable Pension Account will be credited with interest as of the last day of each quarter each Plan Year: August 31, November 30, February 28, and May 31. The amount of the Interest Credits will equal the balance of the Portable Pension Account as of the end of the prior quarter multiplied by the Interest Credit Rate for the Plan Year.

Interest Credit Rate – The greater of: (i) one-fourth of the One (1) Year Treasury Constant Maturities rate plus twenty-five (25) basis points, as defined in Notice 96-8, for the month of April preceding the Plan Year for which the interest is credited, or (ii) 1% (one-fourth of 4%).

Schedule SB, Part V — Summary of Plan Provisions

Normal retirement									
• Eligibility	Age 65								
• Benefit	<p>Upon reaching normal retirement, a participant will be entitled to the value of the Portable Pension Account determined as of the end of the month preceding his Portable Pension Account Annuity Starting Date. The benefit is paid as a monthly annuity which is the actuarial equivalent of the Portable Pension Account Balance.</p> <p>Traditional Plan Benefits as of May 31, 2008 are also payable to participants in the former FedEx Freight West, Inc. Pension Plan.</p>								
Late retirement									
• Eligibility	Retirement may be deferred beyond the normal retirement date.								
• Benefit	At late retirement, a participant will be entitled to the value of the Portable Pension Account determined as of the end of the month preceding his Portable Pension Account Annuity Starting Date. The benefit is paid as a monthly annuity which is the actuarial equivalent of the Portable Pension Account Balance.								
Deferred vested									
• Eligibility	If employment is terminated before a participant is eligible for a benefit as provided above, the vested portion of the participant’s Portable Pension Account benefit can be received immediately.								
• Benefit	The benefit is determined by multiplying the accrued benefit by the vesting percentage applicable at termination according to the table:								
	<table border="1"> <thead> <tr> <th>Full Years of Vesting Service</th> <th>Vesting Percentage</th> </tr> </thead> <tbody> <tr> <td>Fewer than 3</td> <td>0%</td> </tr> <tr> <td>3 or more</td> <td>100%</td> </tr> </tbody> </table>	Full Years of Vesting Service	Vesting Percentage	Fewer than 3	0%	3 or more	100%		
Full Years of Vesting Service	Vesting Percentage								
Fewer than 3	0%								
3 or more	100%								
	<p>However, any Freight East employee who was employed with FedEx Freight East on December 31, 2006 will have the following vesting schedule apply:</p> <table border="1"> <thead> <tr> <th>Full Years of Vesting Service</th> <th>Vesting Percentage</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>30%</td> </tr> <tr> <td>2</td> <td>60%</td> </tr> <tr> <td>3 or more</td> <td>100%</td> </tr> </tbody> </table>	Full Years of Vesting Service	Vesting Percentage	1	30%	2	60%	3 or more	100%
Full Years of Vesting Service	Vesting Percentage								
1	30%								
2	60%								
3 or more	100%								
Disability									
• Eligibility	Termination of employment due to total and permanent disability, regardless of years of vesting service.								
• Benefit	Portable Pension Account benefit in full								
Pre-retirement death									
• Eligibility	Death after vesting in the accrued benefit.								

Schedule SB, Part V — Summary of Plan Provisions

• Benefit prior to normal retirement	A beneficiary who is the surviving spouse is entitled to receive an immediate life annuity that is the actuarial equivalent of the Portable Pension Account. A non-spouse beneficiary (and spouse by election in lieu of the annuity) is entitled to receive a lump sum payment of the Portable Pension Account.
• Benefit after retirement	If a participant dies after retirement benefits have commenced, no death benefit is payable unless an optional form of payment has been elected which provides for a death benefit.
Form of benefits	
• Automatic form for unmarried participants	Life annuity
• Automatic form for married participants	Joint and 50% survivor annuity
• Optional forms	The following optional forms of payment are available: <ul style="list-style-type: none"> • Straight life annuity • Life annuity with 60, 120 or 180 monthly payments guaranteed • Life annuity with 50%, 75% or 100% continuing to surviving beneficiary • Lump sum
• Actuarial Equivalence	For the purpose of converting the Portable Pension Account benefit to any optional form of payment, the equivalent value of a benefit computed on the basis of the “applicable interest rate” and the “applicable mortality table” within the meaning of Code Section 417(e), as determined by the Secretary from time to time. The “applicable interest rate” is based on the rates in effect for the second month before the month in which the beginning of the plan year occurs.

Summary of plan provisions – For benefits earned under the FedEx Freight West, Inc. Pension Plan through May 31, 2008 (Traditional Plan Benefit (TPB))

Benefits earned under the provisions of the FedEx Freight West, Inc. Pension Plan described below were frozen effective May 31, 2008. Effective June 1, 2008, benefits are earned under the FedEx Freight Pension Plan.

• Eligibility	All Employees who become employed by FedEx Freight West, Inc. or FedEx Freight System, Inc. (effective June 1, 2002) are eligible to participate under the plan on the first January 1 or July 1 coincident with or next following the later of attainment of age 21 and one year of eligibility service. “Employee” means any employee of the Controlled Group excluding nonresident aliens receiving no US source income, independent contractors, collectively bargained, or leased employees.
• Participant contributions	None.
• Vesting service	The number of plan years in which a participant works at least 1,000 hours.
• Credited service	Service from date of hire through date of termination.
• Final average earnings	The average of the Plan Compensation for the participant’s five consecutive calendar years of service that gives the highest average.
• Social security benefit	The Primary Insurance Amount provided to the member under the Social Security Act and payable at the member’s normal retirement age. No more

Schedule SB, Part V — Summary of Plan Provisions

	than the latest ten full calendar years of compensation are used, with prior compensation projected back at 7% per year. Compensation is assumed to remain level from the year prior to termination until normal retirement age.
• Covered compensation	A 35-year average of the Social Security Taxable Wage Base. The 35-year period ends with the year the employee reaches eligibility for an unreduced Social Security benefit.

Normal retirement

• Eligibility	Age 65
• Benefit	Annual benefit payable in the form of a single life annuity at normal retirement date equal to the difference between (a) and (b), multiplied by (c); a. 30% of the participant’s average annual compensation. b. The lesser of (1) 22.5% of the Social Security Benefit, (2) 12.5% of average annual compensation, and (3) 19.5% of covered compensation. c. A fraction, not to exceed one, the numerator of which is benefit service and the denominator is thirty.

Early retirement

• Eligibility	Attained age fifty-five (55) with at least 5 years of vesting service (three years of service if termination occurs on or after June 1, 2008).
• Benefit	The accrued benefit as of the participant’s early retirement date reduced in accordance with the following factors:

Age benefits commence	Employees who terminated employment before 8/1/2011	Employees who terminated employment on or after 8/1/2011
55	35.75%	70%
56	39.27%	73%
57	43.21%	76%
58	47.62%	79%
59	52.59%	82%
60	58.19%	85%
61	64.53%	88%
62	71.72%	91%
63	79.91%	94%
64	89.27%	97%
65	100%	100%

Late retirement

• Eligibility	Retirement may be deferred beyond the normal retirement date
• Benefit	The greater of: • the retirement benefit based on benefit service and average compensation up to late retirement date; or • a benefit payable equal to an amount which is the actuarial equivalent of the retirement benefit which was payable on Normal Retirement Date.

Schedule SB, Part V — Summary of Plan Provisions

Deferred vested	
• Eligibility	A participant is 100% vested upon completion of five (5) years of vesting service (three years if termination occurs on or after June 1, 2008), however all participants become 100% vested upon reaching age 65.
• Benefit	At termination, the deferred vested benefit is equal to the accrued vested benefit, payable in the normal form, commencing on the normal retirement date. Optionally, the participant may elect to receive an actuarially reduced benefit commencing after age 55.
Pre-retirement death	
• Eligibility	Death after vesting in accrued benefit.
• Benefit	Benefit payable to the surviving spouse equal to the amount that would have been payable to the spouse, had the member retired or terminated on the day before death and elected the Qualified Joint and Survivor Annuity Form (50% of J&S). If the member dies prior to attaining age 55, a deferred benefit shall be calculated as of member's age 55, payable to the spouse when the member would have attained age 55. If the member's designated beneficiary is other than his spouse, the form of the payment must comply with Internal Revenue Code Section 401(a)(9).
Form of benefits	
• Automatic form for unmarried participants	Single Life annuity
• Automatic form for married participants	50% joint and survivor annuity
• Optional forms	The following optional forms of payment are available: <ul style="list-style-type: none"> • Straight life annuity • Life annuity with 60, 120 or 180 monthly payments guaranteed • Life annuity with 50%, 75% or 100% continuing to surviving beneficiary
• Actuarial Equivalence	For the purpose of converting the Traditional Pension Benefit normal form of payment to an optional form of payment prior to February 1, 2012, actuarial equivalence shall mean the equivalent value of a benefit computed on the basis of the UP-1984 Mortality Table for participants and beneficiaries and with interest at seven percent (7%) per annum. For the purpose of converting the Traditional Pension Benefit normal form of payment to any optional form of payment on or after February 1, 2012, actuarial equivalence shall mean the equivalent value of a benefit computed on the basis of the "applicable interest rate" and the "applicable mortality table" within the meaning of Code Section 417(e), as determined by the Secretary from time to time. The "applicable interest rate" is based on the rates in effect for the second month before the month in which the beginning of the plan year occurs.
Miscellaneous	
• Maximum compensation	Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2022, the limit is \$305,000.

Schedule SB, Part V — Summary of Plan Provisions

• Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2022, the limit is \$245,000.
• Administration	Alight Solutions
• Funding medium	Trust
• Benefits not included in the valuation	To the best of our knowledge, all benefits were valued.

Benefits included or excluded

Unless noted below, all benefits provided by the plan, as restated January 1, 2020 are included in this valuation:

- **Most recent plan amendments included:** January 1, 2020.
- **Plan amendments excluded:** None.
- **Late retirement increases:**
 - *Active participants:* The plan applies late retirement actuarial increases for all participants who defer retirement beyond their normal retirement date. Participants who defer retirement beyond age 70½ receive these late retirement increases up to age 70½, as part of the benefit at actual retirement date.
 - *Deferred vested participants:* Current deferred vested participants over normal retirement age are valued including the late retirement increase plus the present value of missed payments from age 70½, if applicable.
- **Internal Revenue Code limitations:** The limitations of Internal Revenue Code Section 415(b) and 401(a)(17) have been incorporated into our calculations.
- **IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60% of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.

Plan provisions specific to funding**Additional benefits included or excluded**

- **IRC Section 436 benefit restrictions:**
 - *Unpredictable contingent event benefits:* N/A
 - *Plan amendments:* None.
 - *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.

Schedule SB, Part V — Summary of Plan Provisions

- *Benefit accruals:* The plan’s funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.
- **Scheduled benefit increases:** N/A
- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.

Plan provision changes since prior valuation

Maximum compensation amounts under IRS rules were updated from 2021 to 2022.

Benefit accruals were frozen effective December 31, 2021 for participants electing to move to the new 401(k) plan.

Schedule SB, line 24 — Change in Actuarial Assumptions

Actuarial assumption changes since prior valuation

Funding

- Interest and mortality rates were updated from 2021 to 2022 in accordance with the Pension Protection Act (PPA) as amended through the American Rescue Plan Act of 2021 (ARPA)
- The salary scale was adjusted for 2022-2023 based on FedEx's expectation of bonus and planned merit increases.
- Withdrawal rates were updated based on recent plan experience.