

FedEx
Corporation

Third Party Best Practices

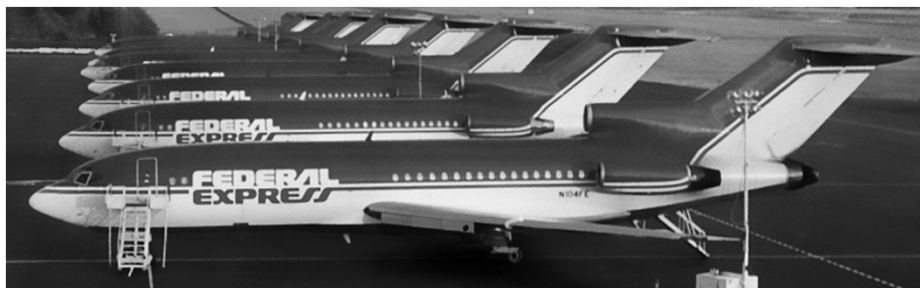
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Introduction to FedEx

- Federal Express founded by Frederick W. Smith April 17, 1973 with 389 team members, 14 planes, 186 packages
- In 1989, Federal Express purchases Flying Tigers to expand its international presence.
- In 2000, Parent company FDX is renamed "FedEx Corporation." Services are divided into companies that operate independently yet compete collectively



FedEx
Corporation

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FedEx Express Global Network

Thir

- Key cover
- Navigating program.

Our more than 450,000 team members help us connect 220+ countries and territories and more than 99 percent of the world's Gross Domestic Product (GDP).



>17
Major Hubs
>2,150
Facilities

678
Aircraft
>650
Airports Served

>85,000
Motorized Vehicles

2019 FedEx Global Citizenship Report

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Note, the air routes here include interline routes (i.e., not just FedEx routes)

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Third Party Best Practices

Key coverage areas in a third party compliance program

Navigating internal and external buy-in for a third party compliance program

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Third party Key Coverage Areas

- ① Risk Model – divide third parties into tiers of risk
- ② Central Platform to Store all Information
- ③ Background Research/Alignment with company vendor risk
- ④ Due Diligence Questionnaires and investigations
- ⑤ Anti-Corruption Training – online and live, customized for type of work and region, where possible
- ⑥ Contracts with appropriate anti-corruption representations and warranties
- ⑦ Annual Certifications of Compliance
- ⑧ Ongoing monitoring – screening against watch lists, adverse media, business reviews, anti-corruption audits

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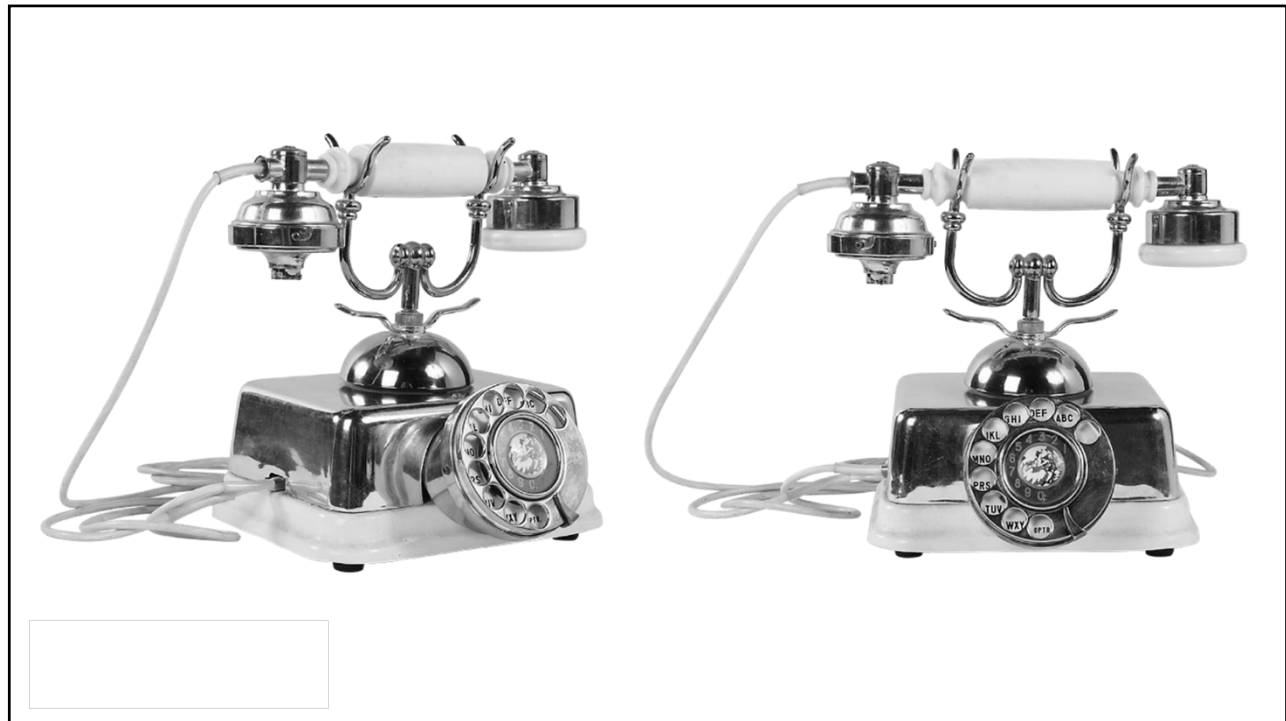
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How do you
get people to
listen?

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Third Party Compliance Program

Due Diligence

Recurring due diligence. Online systems can help automate. Screening against watch lists and media.

Anti-Corruption Training

Live and online training for third parties based on risk. Customize if possible. Local language..

Contract Language

Anti-Corruption representations and warranties based on risk level of third party providing services to the company.

Annual Certifications

Annual certifications of compliance referencing compliance with reps and warranties. Online systems can help automate distribution, collection and storage.

Internal Audit Program

Audit rights in third party contracts. Align with company Internal Audit team and Legal teams to determine which third parties can be added to an anti-corruption audit program.

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Due Diligence

Risk-based approach

- Prior to engaging, upon contract renewal or any red flag.
- Due diligence questionnaire, watch list/adverse media, investigatory.
- Ongoing monitoring.

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Anti-Corruption Training

- Customize.
- Local Languages.
- Online, Live, Recurrence, Resources.

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Contract Language

Anti-Corruption Representations and Warranties

- Long Form.
- Short Form.
- Stand-Alone Declaration.

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Annual Certifications of Compliance

- Contractually required.
- Automate, where possible.
- Communicate internally and externally.
- Local language.

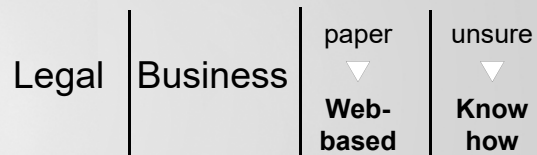
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Audit Program

- Audit Rights in Contract.
- Internal partnership with Legal and Audit.
- Training for Internal Audit.
- Anti-Corruption Audits for Tier 1 Third Parties.

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Navigating Internal and External Buy-In



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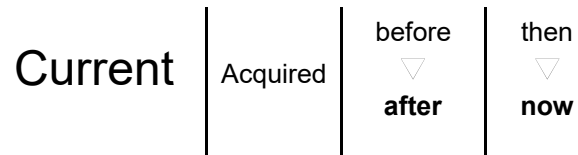


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Current + Future Third Parties



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