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VIA E-MAIL (policy@issgovernance.com)

November 9, 2012

Global Policy Board
Institutional Shareholder Services Inc.
702 King Farm Boulevard, Suite 400
Rockville, Maryland 20850

Re: 2013 Proxy Voting Policies

Dear Sir or Madam:

FedEx Corporation respectfully submits this comment letter to Institutional Shareholder Services Inc. (“ISS”) regarding the 2013 proxy voting policy updates that ISS published for comment on October 16, 2012. We appreciate your willingness to solicit and consider the opinions of corporate issuers, such as FedEx, as you formulate and consider updates to your voting policies.

FedEx joins the U.S. Chamber of Commerce and the Business Roundtable in their comments regarding the proposed 2013 proxy voting policy updates. We direct your attention to the U.S. Chamber of Commerce’s comment letter for a more detailed analysis of the various issues raised by the proposed changes and to the Business Roundtable’s comment letter for a more detailed analysis of the proposed revisions to the majority-supported shareholder proposals policy. We concur with the views expressed in those letters.

FedEx feels that it is also important to comment specifically on certain issues related to the proposed policy updates. Accordingly, we have the following additional comments.

Board Response to Majority-Supported Shareholder Proposals

Under its current policy, ISS recommends a vote AGAINST or WITHHOLD from the entire board of directors (except new nominees, who are considered on a case-by-case basis) if the board failed to act on a shareholder proposal that received (a) the support of a majority of shares outstanding the previous year or (b) the support of a majority of shares cast in the last year and one of the two previous years. Under its proposed policy, ISS would recommend a vote AGAINST or WITHHOLD from the entire board of directors (except new nominees, who would be considered case-by-case) if the board failed to act on a shareholder proposal that received the support of a majority of shares cast in the previous year.

The proposed policy change should not be adopted because there are circumstances in which a board of directors should not implement a shareholder proposal that received the support of a majority of shares cast in a single year. In particular, the proposed policy does not allow a board sufficient flexibility to implement a shareholder proposal that passes with a majority of shares cast other than by implementing the specific action requested by the proposal.

For instance, if a shareholder proposal receives a majority of shares cast, a board may decide to discuss the proposal with the company's large institutional stockholders. Based on these discussions, the board may decide to implement an alternative measure that is consistent with the purpose and intent of the shareholder proposal and acceptable to key institutional investors, but different from the specific action requested by the proposal.

ISS's proposed policy does not include any guidance on what would constitute a "failure to act" by a board. ISS could determine, in its sole discretion, that a board "failed to act" on a shareholder proposal that received a majority of the votes cast, although the board actively engaged large institutional stockholders about the proposal, considered their views, and implemented alternative action acceptable to – or perhaps even preferred by – these stockholders. Under the proposed policy, ISS could recommend a negative vote against the board in these circumstances.

Importantly, the proposed policy does not allow a company's stockholders to determine whether the board adequately responded to a shareholder proposal supported by a majority of votes cast. Under ISS's current policy, a shareholder proposal must receive the support of a majority of shares cast in the last two out of three years before ISS recommends a negative vote against a board. The current policy provides a company's stockholders the opportunity to evaluate and decide whether a board of directors adequately implemented a shareholder proposal – by approving the proposal with a majority of votes cast in one of the two years following initial approval of the proposal. ISS's proposed policy would disenfranchise stockholders by not allowing them to make this determination and replace their judgment with that of ISS.

For these reasons, we believe that ISS's proposed policy change regarding majority-supported shareholder proposals should not be adopted.

Management Say-on-Pay Proposals — Pledging of Company Stock

ISS has proposed adding the pledging of company shares by executives or directors – without any level of significance or threshold – as a "problematic pay practice" that could lead to a negative say-on-pay recommendation. ISS should include a threshold – we propose 5% of a company's outstanding shares – before the pledging of company shares by executives or directors is deemed a "problematic pay practice."

We agree that, as a general rule, directors and officers should not pledge company shares as part of hedging or monetization transactions. Company shares may, however, constitute a

significant portion of an executive's or director's personal assets, and situations may arise in which company shares need to be used as collateral for his or her financial obligations or held in margin accounts. Absent the ability to pledge company shares, the officer or director may be forced to sell the shares.

An officer's and director's ability to manage his or her personal affairs must be appropriately balanced against the potential adverse impact to shareholders and the company that could result from the pledging of a significant number of company shares by executives and directors. We believe that a 5% threshold is the right balance. So long as the aggregate number of company shares pledged or held in margin accounts by executives and directors (individually or in the aggregate) is less than 5% of the company's outstanding shares, there would be no appreciable risk to investors or the company and, therefore, no "problematic pay practice" should be deemed to exist.

Thank you again for considering our comments and concerns. If you would like more information, please feel free to contact me at your convenience.

Sincerely yours,

FedEx Corporation

/s/ CHRISTINE P. RICHARDS

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*Executive Vice President,
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cc: Frederick W. Smith
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