



VIA E-MAIL (rule-comments@sec.gov)

February 3, 2020

Securities and Exchange Commission
Ms. Vanessa Countryman
Secretary
100 F Street, NE
Washington, DC 20549-1090

Re: Release No. 34-87458; File No. S7-23-19, *Procedural Requirements and Resubmission Thresholds under Exchange Act Rule 14a-8*

On November 5, 2019, the Securities and Exchange Commission (the "Commission") issued a request for public comment soliciting input on proposed amendments to certain procedural requirements and the provision relating to resubmitted proposals under Rule 14a-8 of the Securities Exchange Act of 1934 (the "Proposing Release"). FedEx Corporation ("FedEx") appreciates the opportunity to provide comments in response to the Commission's request. As previously stated, FedEx commends the Commission for its recent efforts to review existing rules and regulations and consider updates when appropriate in light of the evolution of the U.S. public markets.

FedEx is a global company that provides customers and businesses worldwide with a broad portfolio of transportation, e-commerce and business services. Our annual revenues total approximately \$69 billion, we have more than 490,000 team members, and we serve customers in more than 220 countries and territories. Our common stock, of which over 260 million shares are outstanding, is listed on the New York Stock Exchange. We present our views from the perspective of a preparer of disclosures required to be filed with the Commission and as a large accelerated filer registered with the Commission.

We are proud that FedEx is consistently recognized as one of the world's most admired companies. FedEx was ranked 14th on *FORTUNE* magazine's 2020 "World's Most Admired Companies" list – the 20th consecutive year FedEx has ranked among the top 20 on the list, with 15 of those years ranking among the top 10. Additionally, FedEx has a long-standing commitment to strong corporate governance practices, as our business demands the highest standards of integrity, professionalism and trust. Our Board of Directors has a history of proactively adopting governance practices that ensure Board accountability to stockholders and enable the Board to effectively oversee FedEx's business and affairs for the long-term benefit of all our stakeholders.

FedEx has significant direct experience with stockholder proposals submitted pursuant to Rule 14a-8, receiving nearly 60 such proposals since 2010. Based upon our experience, stockholder

proposals are often sponsored by special interest groups, such as organized labor, or individuals with special interests who (i) own a *de minimis* amount of company shares — frequently little more than is necessary to meet the low eligibility requirements, and (ii) have a narrow agenda that may be inimical to the best interests of the company and its stockholders as a whole. Such proposals require the attention of our Board of Directors and can serve as a distraction from its duty to focus on the best interests of FedEx and *all* of our stockholders.

We appreciate and support the rule changes set forth by the Commission in the Proposing Release, and also endorse the comments regarding the Proposing Release included in the letter of the U.S. Chamber of Commerce's Center for Capital Markets Competitiveness dated January 31, 2020, and the letters of the Business Roundtable and the Society for Corporate Governance, each dated February 3, 2020.

More specifically, we strongly support the recommendations of the Business Roundtable and the Society for Corporate Governance that the Commission regularly adjust the stock ownership thresholds included in Rule 14a-8 for inflation. If an inflationary adjustment mechanism is implemented, we believe stockholders should be provided adequate notice of forthcoming adjustments so they may make timely and desired changes to their investment portfolios.

Additionally, we concur with the Business Roundtable and the Society for Corporate Governance that the thresholds for resubmission of stockholder proposals should be set at 6, 15 and 30 percent for the first, second and third submissions, respectively, rather than at 5, 15 and 25 percent as proposed by the Commission. FedEx is often the recipient of stockholder proposals that, despite consistently being opposed by a supermajority of votes cast, are required to be included in our proxy statement in subsequent years.

For instance, in 2016, an investor who owned less than 200 shares of FedEx common stock submitted a stockholder proposal for inclusion in our proxy statement. At our 2016 annual meeting, less than 4% of the voted shares were cast in favor of the proposal. Despite the fact that a supermajority of our stockholders did not vote in favor of the proposal in 2016, we were required to include a substantially similar proposal submitted by the same investor in our 2017 proxy statement because it was not excludable pursuant to Rule 14a-8. Less than 3% of the voted shares were cast in favor of the proposal at our 2017 annual meeting. Implementation of the 6/15/30 resubmission thresholds would minimize the unnecessary time, effort and other corporate resources we spend on such proposals.

FedEx believes reform of the submission eligibility requirements and resubmission thresholds through adoption of the rule changes contained in the Proposing Release, along with the additional changes proposed by the Business Roundtable and the Society for Corporate Governance, would help prevent abuse of the Rule 14a-8 process while still affording stockholders the ability to have their voices heard. Further, we believe such changes would be consistent with the Commission's undertaking to protect investors, maintain fair, orderly, and efficient markets, and facilitate capital formation.

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We sincerely appreciate your consideration of our comments. If you would like more information, please feel free to contact me at your convenience.

Sincerely yours,

FedEx Corporation

A handwritten signature in blue ink, appearing to read 'M. R. Allen', with a long horizontal flourish extending to the right.

Mark R. Allen

cc: Alan B. Graf, Jr.
Michael C. Lenz
Clement E. Klank III
Arthur M. Foster