

EXECUTIVE COMPENSATION

Fiscal 2017 Pension Benefits

The following table sets forth for each named executive officer the present value of accumulated benefits at May 31, 2017, under FedEx's defined benefit pension plans. For information regarding benefits triggered by retirement under our stock option and restricted stock plans, see "— Potential Payments Upon Termination or Change of Control" below.

Name	Plan Name	Number of Years Credited Service (#)	Present Value of Accumulated Benefit (\$)⁽¹⁾	Payments During Fiscal 2017 (\$)
F.W. Smith	FedEx Corporation Employees' Pension Plan	45	1,184,169	108,191 ⁽²⁾
	FedEx Corporation Retirement Parity Pension Plan	45	25,489,858	0
A.B. Graf, Jr.	FedEx Corporation Employees' Pension Plan	37	1,743,390	0
	FedEx Corporation Retirement Parity Pension Plan	37	13,772,358	0
D.J. Bronczek	FedEx Corporation Employees' Pension Plan	41	1,898,261	0
	FedEx Corporation Retirement Parity Pension Plan	41	17,782,141	0
R.B. Carter	FedEx Corporation Employees' Pension Plan	24	1,203,545	0
	FedEx Corporation Retirement Parity Pension Plan	24	6,834,685	0
C.P. Richards	FedEx Corporation Employees' Pension Plan	33	1,821,757	0
	FedEx Corporation Retirement Parity Pension Plan	33	7,139,155	0
T.M. Glenn	FedEx Corporation Employees' Pension Plan	36	1,646,552	279,480 ⁽³⁾
	FedEx Corporation Retirement Parity Pension Plan	36	13,163,757	0

(1) These amounts were determined using assumptions (e.g., for interest rates and mortality rates) consistent with those used in the audited consolidated financial statements included in our annual report on Form 10-K for the fiscal year ended May 31, 2017. The benefits are expressed as lump sum amounts, even though the benefits using the traditional pension benefit formula under the Pension Plan (as defined below) are generally not payable as a lump sum distribution (only \$1,000 or less may be distributed as a lump sum under the traditional pension benefit formula under the Pension Plan). The benefits using the Portable Pension Account formula under the Pension Plan may be paid as a lump sum.

The present value of the Pension Plan traditional pension benefit is equal to the single life annuity payable at the normal retirement date (age 60), or June 1, 2017, if the officer is past normal retirement age, converted based on an interest rate of 4.081% and the RP2014 mortality table with the MP2016 generational mortality improvement scale (as adjusted for purposes of the Pension Plan and Parity Plan (as defined below)) discounted to May 31, 2017, using an interest rate of 4.081%. The present value of the Parity Plan traditional pension benefit is equal to the single life annuity payable at the normal retirement age, or June 1, 2017, if the officer is past normal retirement age, converted based on an interest rate of 3% for lump sums paid through May 31, 2018, 3.5% for lump sums paid between June 1, 2018 and May 31, 2019, and 4% for lump sums paid on and after June 1, 2019, and the 1994 Group Annuity Reserving Table and discounted to May 31, 2017, using an interest rate of 4.081%. The present value of the Portable Pension Account (discussed below) is equal to the officer's account balance at May 31, 2017, projected to the normal retirement date, if applicable, based on an interest rate of 4% (compounded quarterly) and discounted to May 31, 2017, using an interest rate of 4.081%.

(2) In accordance with the terms of the Pension Plan, Mr. Smith was required to commence receiving his Pension Plan benefits during fiscal 2016.

(3) Mr. Glenn retired on December 31, 2016, and began receiving payments under the Pension Plan during fiscal 2017.

Overview of Pension Plans

FedEx maintains a tax-qualified, defined benefit pension plan called the FedEx Corporation Employees' Pension Plan (the "Pension Plan"). For fiscal 2017, the maximum compensation limit under a tax-qualified pension plan was \$265,000. The Internal Revenue Code also limits the maximum annual benefits that may be accrued under a tax-qualified, defined benefit pension plan. In order to provide 100% of the benefits that would otherwise be denied certain management-level participants in the Pension Plan due to these limitations, FedEx also maintains a supplemental, non-tax-qualified plan called the FedEx Corporation Retirement Parity Pension Plan (the "Parity Plan"). Benefits under the Parity Plan are general, unsecured obligations of FedEx.

Effective May 31, 2003, FedEx amended the Pension Plan and the Parity Plan to add a cash balance feature, which is called the Portable Pension Account. Eligible employees as of May 31, 2003, had the option to make a one-time election to accrue future pension benefits under either the cash balance formula or the traditional pension benefit formula. In either case, employees retained all benefits previously accrued under the traditional pension benefit formula and continued to receive the benefit of future compensation increases on benefits accrued as of May 31, 2003. Eligible employees hired after May 31, 2003, accrue benefits exclusively under the Portable Pension Account.