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## FOR IMMEDIATE RELEASE

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### UK PENSION FUNDS JOIN WITH TEAMSTERS UNION IN SUBMITTING RESOLUTION TO NATIONAL EXPRESS ANNUAL GENERAL MEETING

#### Shareholders Call on Board to Address Human Capital Issues at North American Subsidiaries

(LONDON) – Shareholders in National Express Group PLC (NEX: LN) have submitted a shareholder proposal to the company, calling on the Board of Directors of the U.K.-listed multinational transport corporation to improve oversight and increase transparency concerning the company’s human capital management policies and practices.

More than 100 Teamster shareholders, the Teamsters General Fund and Local Authority Pension Fund Forum (LAPFF) members—Greater Manchester, LB of Islington and Nottinghamshire County Council—are co-sponsoring the resolution. These LAPFF members hold three million shares of National Express.

The shareholder proposal calls for the Board to expand the role and responsibilities of its Safety and Environment Committee to provide quality oversight of the company’s human capital management and to adopt a meaningful and enforceable workplace human rights policy.

The shareholder proposal is intended to be put before the company’s Annual General Meeting to be held on May 15, 2014.

The shareholder proposal is the culmination of more than four years of shareholder engagement with the senior leadership of National Express, including repeated requests to the National Express Board of Directors and senior management to address serious, systemic problems with the company’s human capital management in North America. These potentially create risks for the sustainability and growth of its most profitable business—North American school bus services.

The proponents of the resolution point out that National Express employs more than 35,000 people worldwide and that no Board committee seems to be responsible for ensuring that the company’s people strategy is aligned with the overall strategy.

“LAPFF members are long-term investors, and believe that effective management of human capital is crucial to delivering sustainable returns. Employees who feel their rights are respected, and are offered a good deal by their employer, are more likely to stick by the company and do a good job,” said Councillor Kieran Quinn, Chairman, Greater Manchester Pension Fund. “We’re not convinced that National Express is getting this right currently, and we are filing this resolution so shareholders can give the Board a clear mandate to address these risks to the value of the company and its sustainability.”

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## **Page 2 of 3 / UK Pension Funds Join with Teamsters Union in Submitting Resolution to National Express Annual General Meeting**

“The problems at National Express in North America are systemic and longstanding, and the Board’s inaction has gone on long enough,” said Ken Hall, International Brotherhood of Teamsters General Secretary-Treasurer. “We believe the poor morale the Board has allowed to fester at Durham in the USA and Stock Transportation in Canada has increased safety risks in an industry where safety is most critical—student school bus transportation. It’s time for this Board to pay attention to its shareholders and take proactive action to ensure safety and worker rights throughout National Express’ global operations.”

### **For more information please contact**

#### **Kara Deniz**

Communications Manager,  
International Brotherhood of Teamsters  
+1 (202) 497-6610  
kdeniz@teamster.org

#### **Kieran Quinn**

Chairman, Greater Manchester  
Pension Fund  
From UK: 0161 342 3016  
From US: 011-44-161-342-3016  
leader@tameside.gov.uk

### **BACKGROUND NOTES**

National Express (NEX) is the parent company of Durham School Services in the United States and Stock Transportation in Canada, both school bus transportation subsidiaries. Durham School Services is the second-largest student transportation company in the United States. There are 4,500 Teamster members working at National Express in North America.

The National Labor Relations Board (NLRB), which oversees U.S. labor law, issued 57 informal complaints since 2001 against Durham School Services. These complaints were denied by Durham but subsequently resulted in settlements. More complaints have been filed this year and the company is challenging them.

The complaints came as a result of a range of allegations by Durham workers over poor management and human capital practices including alleged disparate treatment, discipline and discharge of employees engaged in union organizing; alleged illegal surveillance of workers engaged in union activity; and allegedly threatening workers with reduction in benefits, working conditions and the loss of employment for supporting unionization.

It is claimed these practices infringe provisions of the National Labor Relations Act of 1935.

In May 2013, a delegation of NEX subsidiary Durham School Services workers from the United States traveled to the National Express Annual General Meeting to share their experiences and concerns with the Board and institutional shareholders and implore the Board to take a proactive position on human capital management.

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## **THE TEAMSTERS**

The Teamsters Drive Up Standards campaign to improve safety, service and work standards in the private school bus and transit industry in North America began in 2006. Since then, more than 36,500 North American school bus and transit workers have become Teamsters.

Founded in 1903, the Teamsters Union represents 1.4 million hardworking men and women throughout the United States, Canada and Puerto Rico. Visit [www.teamster.org](http://www.teamster.org) for more information. Follow us on Twitter @Teamsters and “like” us on Facebook at [www.facebook.com/teamsters](http://www.facebook.com/teamsters).

## **LOCAL AUTHORITY PENSION FUND FORUM (LAPFF)**

LAPFF represents the interests of 60 UK public sector pension fund members with combined assets of approximately £120 billion. Its mission is to protect the long-term investment interests of beneficiaries by promoting the highest standards of corporate governance and corporate responsibility amongst investee companies.

## **COMPANY PROFILE**

National Express Group PLC is the holding company of the National Express Group of companies, a FTSE 250 company listed on the London Stock Exchange with a market capitalization of £1526.5 M as of 25th February. Subsidiary companies provide mass passenger transport services in the United Kingdom and overseas. The company's segments include UK Bus, UK Coach, Rail, North American Bus, European Coach & Bus, and Central functions.

The company operates in the United Kingdom, North America, Spain and Morocco. Its business in North America is focused solely on student transportation and operates in 32 states of the United States and four Canadian provinces.