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LAPFF calls for improved employment policies at National Express

National Express should strengthen its oversight and reporting of employment issues, according to the Local Authority Pension Fund Forum (LAPFF).

The Forum has co-signed a statement calling on the company to expand the remit of its existing Safety and Environment Committee to include responsibility for its strategy on management of staff, and to report annually to shareholders.

LAPFF, which represents pension funds with over £115bn in assets, will recommend that its members vote against the company's report and accounts at the forthcoming National Express AGM, to signal the need for improved reporting.

Kieran Quinn, chair of the Forum, said: "As long-term investors in companies, Forum members believe that employee engagement is absolutely crucial. It is clear to us that a number of employees in the US operations of National Express feel the company is not sympathetic to their right to independent representation and this is becoming an increasingly contentious issue. We take no view on the rights and wrongs of these claims. However this situation has persisted for a number of years now and we feel therefore that the company and its investors would benefit from clearer oversight and reporting of employment issues."

The Forum has engaged with the company over a prolonged period, and supported the National Express board when challenged by Elliott Advisors in the summer of 2011.

LAPFF has also engaged with representatives of the National Express workforce on several occasions, and has spoken with a number of drivers who work within the company's US schoolbus business about their experiences.

On the basis of this engagement, the Forum has decided to sign the statement calling for improved oversight and reporting.

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About LAPFF:

The Local Authority Pension Fund Forum (LAPFF, www.lapfforum.org), which was set up in 1991, is a voluntary association of 57 public sector pension funds based in the UK. It exists 'to promote the long-term investment interests of local authority pension funds, and to maximise their influence as shareholders to promote corporate responsibility and high standards of corporate governance amongst the companies in which they invest.' The Forum's members currently have combined assets of over £115 billion. PIRC is the Research and Engagement partner of the Forum.

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