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## TEAMSTERS URGE FEDEX INVESTORS TO END CEO DOMINATION OF BOARD

***Poor Stock Performance and High Executive Pay Make Case for Independent Board Leadership Proposal; Overcommitted Lead Independent Director is No Substitute for Independent Board Chair***

(Washington, D.C.) – The International Brotherhood of Teamsters are calling on FedEx [NYSE: FDY] shareholders to support its proposal for independent board leadership at the company’s annual meeting Sept. 24, 2012. The proposed reform has received increased support from investors since it was first introduced in 2007. Last year, 42 percent of outside investors supported the resolution for an independent chairman of the board.

ISS and Glass Lewis, the leading proxy voting advisory services are recommending shareholders to vote for the Teamsters shareholder proposal.

“After more than 40 years, its time Fred Smith loosen his grip on the FedEx board,” said Ken Hall, General Secretary-Treasurer of the International Brotherhood of Teamsters. “Having Smith as CEO and chairman of the board has lead to excessive executive pay and poor performance over the long term for investors.”

Over the past three and five-year periods, FedEx stock underperformed both the S&P 500 index and its main competitor, UPS. Yet, as the company seeks to cut costs across the company, Fred Smith’s pay increased from \$7.26 million in fiscal 2011 to \$13.68 million, driven by massive non-equity incentive compensation that jumped \$6.2 million over the prior year.

“Shareholders need a strong and independent voice in the boardroom to hold management accountable and provide proper strategic oversight and guidance,” Hall added. “While the company’s focus has been to reduce costs by restructuring and cutting jobs, it seems the sky is the limit when it comes to CEO pay.”

(MORE)

## **Page 2/2 – Teamsters Urge FedEx Investors to End CEO Domination of Board**

Rather than adopt this corporate governance best practice, Smith has instead introduced inferior solutions.

Prior to last year's annual meeting, the board established a "presiding director" role in lieu of an independent board chair. In response, shareholder support for the proposal reached an all-time high. This year, the FedEx proxy reveals that Nominating & Governance Committee Chairperson Shirley Ann Jackson, PhD. is now also the board's lead independent director.

Jackson as a lead director is no substitute for an independent board chair. She is an overcommitted, long-serving director, who last year received the least investor support on the FedEx board by a significant margin. She is the full-time President of Rensselaer Polytechnic Institute; serves as a director on five corporate boards and 15 board committees of which she chairs four; and serves on six non-corporate boards.

Growing investor concern about Dr. Jackson's service on the FedEx board was evident in last year's board election results. Dr. Jackson received 84% support when all other directors received more than 90 percent support. In fact two-thirds of the board received more than 96 percent support.

The International Brotherhood of Teamsters sent a [letter](#) to large institutional investors of FedEx urging their support for independent board leadership.

Founded in 1903, the International Brotherhood of Teamsters represents 1.4 million hardworking men and women in the United States, Canada and Puerto Rico.