



New York City Comptroller  
John C. Liu

NEWS RELEASE

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**LIU, PENSION FUNDS REACH AGREEMENTS WITH  
AIG, BNY MELLON, AND US BANCORP  
TO DISCLOSE RACE AND GENDER IN WORKFORCES**

*Efforts Part of Broad Push for Diversity and Equality  
as ‘Equal Pay Day’ Highlights Gaps That Remain*

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NEW YORK, NY – Comptroller John C. Liu and the New York City Pension Funds today announced that AIG (NYSE: AIG), BNY Mellon (NYSE: BK), and US Bancorp (NYSE: USB) have agreed to provide meaningful disclosure of the composition of their U.S. workforces by race and gender – part of a broad push by the funds to promote diversity and equality at portfolio firms.

The three companies will provide annual disclosure of their workforce demographics across major job categories, including senior management. The Pension Funds last year secured similar agreements with Goldman Sachs (NYSE: GS) and MetLife (NYSE: MET).

The Comptroller’s office is further asking several major advertising firms to make this information publicly available and is also seeking more boardroom diversity at key firms – in a pair of shareholder resolutions to be voted on in the coming months.

The efforts are thrown into sharp relief by Equal Pay Day, which is April 9 this year. Women on average earn less than men, and closing the wage gap goes hand-in-hand with ensuring overall workforce diversity.

“Diversity is good for the bottom line, but without meaningful disclosure there is no way for shareowners to evaluate the effectiveness of a company’s efforts to recruit and promote women and minorities,” **Comptroller Liu** said. “We applaud AIG, BNY Mellon, and US Bancorp for demonstrating their commitment to equal opportunities. But we’re not stopping there. In the coming season, we hope that more portfolio firms demonstrate their commitment – not just to workforce diversity but also boardroom diversity and equal pay.”

“Even though the statistics remain dismal, we are encouraged by the progress and the willingness of corporate leadership to address the important issues of workforce and board diversity. Institutional investors who are working with the Thirty Percent Coalition have filed shareholders’ resolutions with over 20 companies with either no women on their boards or those companies that lagged peers on diversity, for a vote at their annual meetings. The investors filing these resolutions are urging these companies to adopt charter language supporting board diversity and institute a practice of including women and minority candidates on their boards. Comptroller Liu is an effective and longstanding advocate for diversity, and he is a valued member of the Thirty Percent Coalition,” said **Charlotte Laurent-Ottomane, Executive Director of the Thirty Percent Coalition.**

Under the Civil Rights Act of 1964, Federal law requires companies with 100 or more employees to annually submit the Employer Information EEO-1 survey. This compliance report requires company employment data to be classified by race, gender and job categories and is used to provide federal agencies with potential indications of discrimination to support civil rights enforcement.

The advertising industry, like the financial industry, is characterized by wide and pervasive employment disparities – especially in senior positions. With an eye on expanding opportunities for women and minorities, the Comptroller’s office has filed a shareowner proposal with leading advertising firms Omnicom (NYSE: OMC) and Interpublic (NYSE: IPG) to be voted on by shareowners at the companies’ annual meetings later this spring.

With respect to boardroom diversity, the Funds are pressing CF Industries (NYSE:CF) and Freeport-McMoRan Copper & Gold (NYSE: FCX) to include women and minority candidates in the pool from which board members are chosen and expand director searches to include nominees from non-traditional environments such as government, academia, and non-profit groups.

New York City Comptroller John C. Liu serves as the investment advisor to, custodian, and trustee of the New York City Pension Funds. The New York City Pension Funds are composed of the New York City Employees’ Retirement System, Teachers’ Retirement System, New York City Police Pension Fund, New York City Fire Department Pension Fund, and the Board of Education Retirement System. As of 4/5/2013, the New York City Pension Funds held a combined 15,025,579 shares in the seven companies valued at \$499,705,569.09, including: 1,857,171 shares of AIG valued at \$71,723,944.02; 2,871,334 shares of BNY Mellon valued at \$78,559,698.24; 4,981,203 shares of US Bancorp valued at \$166,172,932.08; 661,258 shares of Omnicom valued at \$38,888,582.98; 1,655,117 shares of Interpublic valued at \$21,814,442.06; 166,353 shares of CF Industries valued at \$31,602,079.41; and 2,833,143 shares of Freeport-McMoRan Copper & Gold valued at \$90,943,890.30.

TEXT IN FULL OF THE SHAREHOLDER PROPOSALS:

### **Annual Disclosure of EEO-1 Data**

**Submitted by New York City Comptroller, John C. Liu,  
on behalf of the New York City Pension Funds**

RESOLVED: Shareholders request the Board of Directors to adopt and enforce a policy requiring Omnicom Group, Inc. (“Omnicom,” or the “Company”) to disclose its EEO-1 data – a comprehensive breakdown of its workforce by race and gender according to 10 employment categories – in its annual sustainability report, beginning in 2013.

**SUPPORTING STATEMENT**

Despite federal and state laws forbidding employment discrimination on the basis of race, allegations of racial discrimination persist in some industries; and in recent years, a number of companies have agreed to pay millions of dollars to settle allegations of racial discrimination.

The advertising industry, of which the Company is a part, is characterized by the persistent and pervasive underrepresentation of minorities, particularly in senior positions. A recent study entitled “Research Perspectives on Race and Employment in the Advertising Industry” (Bendick and Egan Economic Consultants, Inc. 2009) found that:

- racial disparity is 38% worse in the advertising industry than in the overall U.S. labor market;
- the “discrimination divide” between advertising and other U.S. industries is more than twice as wide as it was 30 years ago;
- Black college graduates working in advertising earn 80 cents for every dollar earned by their equally-qualified White counterparts;
- about 16% of large advertising firms employ no Black managers or professionals, a rate 60% higher than in the overall labor market; and
- Black managers and professionals in the industry are one-tenth as likely as their White counterparts to earn \$100,000 a year.

Numerous studies have found that workplace diversity provides a competitive advantage by generating diverse, valuable perspectives, creativity and innovation, increased productivity and morale, while eliminating the limitations of “groupthink.”

Omnicom agrees “that workplace diversity creates value for the Company and fosters a positive corporate culture,” according to its 2012 Proxy Statement. The Company emphasizes its commitment to recruiting, retaining and promoting minorities and women, and points to a set of specific initiatives. But without quantitative disclosure, shareholders have no way to evaluate and benchmark the effectiveness of these efforts.

**Board Diversity**

**Submitted by New York City Comptroller John C. Liu  
on behalf of the New York City Pension Funds**

RESOLVED: Shareholders request that the Board of Directors of CF Industries Holdings, Inc. (“CF”) adopt a policy on Board diversity that requires the Corporate Governance and Nominating Committee of the Board (the “Committee”), consistent with its fiduciary duties, to:

1. include women and minority candidates in the pool from which Board nominees are chosen;
2. expand director searches to include nominees from both non-executive corporate positions and non-traditional environments such government, academia, and non-profit organizations;
3. review periodically the composition of the Board to ensure it reflects the knowledge, experience, skills, and diversity required to fulfill its duties; and
4. report to shareholders, at reasonable expense and omitting proprietary information, its efforts to encourage diversified representation on the Board.

#### SUPPORTING STATEMENT

Currently, CF has no women or minorities on its board.

In an increasingly global marketplace, the ability to draw on a wide range of viewpoints, backgrounds, skills, and experience is critical to a company’s success, as it increases the likelihood of making the right strategic and operational decisions. This is especially important for corporate boards, given the range, complexity and significance of their responsibilities and decisions.

We believe diversity, inclusive of race and gender, is therefore an essential measure of sound governance and a critical component of a well-functioning board that can help to ensure that different perspectives are brought to bear on issues. We also share SEC Commissioner Luis Aguilar’s belief, expressed in September 2010, “that companies that expand their search for new directors to include more women and minorities will find a breadth and depth of talent that will serve to improve their performance and increase the wealth of their investors.”

A growing body of empirical research indicates a significant positive relationship between firm value and the percentage of women and minorities on boards. According to an August 2012 report by Credit Suisse Research Institute, which evaluated the performance of 2,360 companies globally over the six years ending December 2011, companies with one or more women on the board delivered higher average returns on equity, lower leverage, better average growth and higher price/book value multiples.

(<https://infocus.credit-suisse.com/data/productdocuments/shop/360145/csrigenderdiversityandcorporateperformance.pdf>.)

The proposed policy resembles the Rooney Rule in the National Football League, which requires teams to interview minority candidates for head coaching and senior football operations

openings. While corporate boards may face differing circumstances, it is difficult to ignore the positive impact of the Rooney Rule on both diversity and performance.

According to *Forbes* (5/9/12), “In 2002, the year before the Rooney Rule was implemented, three head coaches were minorities. Going into last season, 11 minorities were interim or full-time head coaches and five minorities were general managers.” (<http://www.forbes.com/sites/forbeswomanfiles/2012/05/09/bring-the-nfl-rooney-rule-into-corporate-boardrooms/>) Moreover, “the last six Super Bowls have featured at least one team with a minority head coach or general manager.”

We urge shareholders to vote for this proposal.

In addition to Comptroller Liu, the New York City Pension Funds trustees are:

**New York City Employees’ Retirement System:** Janice Emery, Mayor’s Representative (Chair); New York City Public Advocate Bill de Blasio; Borough Presidents: Scott Stringer (Manhattan), Helen Marshall (Queens), Marty Markowitz (Brooklyn), James Molinaro (Staten Island), and Ruben Diaz, Jr. (Bronx); Lillian Roberts, Executive Director, District Council 37, AFSCME; John Samuelsen, President Transport Workers Union Local 100; Gregory Floyd, President, International Brotherhood of Teamsters, Local 237.

**Teachers’ Retirement System:** Janice Emery, Mayor’s Representative; Deputy Chancellor Kathleen Grimm, New York City Department of Education; and Sandra March, Melvyn Aaronson (Chair) and Mona Romain, all of the United Federation of Teachers.

**New York City Police Pension Fund:** Janice Emery, Mayor’s Representative; New York City Finance Commissioner David Frankel; New York City Police Commissioner Raymond Kelly (Chair); Patrick Lynch, Patrolmen’s Benevolent Association; Michael Palladino, Detectives Endowment Association; Edward D. Mullins, Sergeants Benevolent Association; Louis Turco, Lieutenants Benevolent Association; and, Roy T. Richter, Captains Endowment Association.

**New York City Fire Department Pension Fund:** Janice Emery, Mayor’s Representative; New York City Fire Commissioner Salvatore Cassano (Chair); New York City Finance Commissioner David Frankel; Stephen Cassidy, President, James Slevin, Vice President, Robert Straub, Treasurer, and John Kelly, Brooklyn Representative and Chair, Uniformed Firefighters Association of Greater New York; Patrick Reynolds, Captains’ Rep.; James Lemonda, Chiefs’ Rep., and James J. McGowan, Lieutenants’ Rep., Uniformed Fire Officers Association; and, Sean O’Connor, Marine Engineers Association.

**Board of Education Retirement System:** Schools Chancellor Dennis Walcott; Mayoral: Joseph Lewis, Jeanette Moy, Ian Shapiro, Tino Hernandez, Judy Bergtraum, Allison Rogovin, and Milton Williams; Patrick Sullivan (Manhattan BP), Kelvin Diamond (Brooklyn BP), Dmytro Fedkowskyj (Queens BP), Robert Powell (Bronx BP) and Diane Peruggia (Staten Island BP); and employee members Joseph D’Amico of the IUOE Local 891 and Milagros Rodriguez of District Council 37, Local 372.

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