



New York City Comptroller
Scott M. Stringer

NEWS

PRESS RELEASE

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COMPTROLLER STRINGER, NEW YORK CITY FUNDS, ANNOUNCE EXPANSION OF BOARDROOM ACCOUNTABILITY PROJECT

*Push for greater accountability in corporate
boardrooms has increased the number of
companies with viable proxy access bylaws from
6 in 2014 to 115 today*

*NYC Funds release 2015 Post-Season Report on
Shareowner Initiatives*

(New York, NY) – Building on the market-changing rollout of the [Boardroom Accountability Project](#) in 2015, New York City Comptroller Scott M. Stringer announced today that the New York City Pension Funds have filed 72 new shareowner resolutions calling on companies to adopt meaningful proxy access bylaws. Since November 2014, the number of companies with these bylaws has

increased from 6 to 115, an unprecedented rate of adoption for shareowner-driven initiatives.

“In 2015, investors finally broke through corporate America’s decade-long opposition to proxy access,” Comptroller Stringer said. “The message they delivered to corporate boards is this: shareowners want a meaningful voice in the boardroom and they are prepared to voice their support for that right. Today, companies are responding by adopting proxy access at an astounding rate and momentum is growing for this movement toward greater accountability.”

In November 2014, Comptroller Stringer and the NYC Pension Funds launched the Boardroom Accountability Project by filing 75 non-binding shareowner resolutions requesting that companies adopt a bylaw to give investors owning 3 percent of a company for 3 or more years the right to list their director candidates on a company’s ballot. Joined by a coalition of investors with more than \$1 trillion of assets under management, the campaign has been enormously successful: [two-thirds of the proposals](#) that went to a vote received majority support and 37 of the companies have agreed to enact viable bylaws to date.

In total, 109 companies have enacted viable proxy access bylaws since the launch of the project, either in response to a shareowner proposal or proactively, including 78 companies between October and December 2015.

In 2016, the City funds’ 72 company [focus list](#) includes:

- 36 companies from its 2015 focus list which have not yet enacted, or agreed to enact, a 3% bylaw with viable terms; this includes companies that enacted unworkable bylaws requiring 5% ownership, some of which received binding proposals to amend their bylaw.
 - Six of the 36 have subsequently been withdrawn after the companies enacted, or agreed to enact, a 3% bylaw.
- 36 new companies, with a focus on the funds’ largest portfolio companies as well as coal-intensive utilities, board diversity laggards and companies with excessive CEO pay.
 - Nine of the 36 have subsequently been withdrawn after the companies enacted, or agreed to enact, a 3% bylaw.

To view a full list of the 2016 focus list, please click [here](#).

To view a full list of the 2015 focus list and voting and enactment results, please click [here](#).

“The City Pension Funds invest in nearly 3,500 U.S. companies. We depend on boards to make the right decisions that create long-term value. The best way to ensure that we have the right people on those boards, those who are independent, diverse and accountable, is through proxy access. This reform gives investors a seat at the table and ensures that boards are responsive to the concerns of its shareowners,” Stringer said.

Recent studies have shown the link between proxy access and shareowner value. A 2014 analysis of studies by the [CFA Institute](#) found that proxy access could improve the responsiveness of boards, which could raise the value of all companies by nearly 1 percent or \$140 billion across the U.S. market. A 2015 study by staff economists at the [Securities and Exchange Commission](#) found a 0.5 percent increase in shareowner value at the 75 companies the Boardroom Accountability Project targeted.

On Monday, Comptroller Stringer also released the [2015 Post-Season Shareowner Report](#), a summary of the City funds' over the past year, including a complete breakdown of voting results and agreements stemming from the push for proxy access.

Comptroller Stringer serves as the investment advisor to, and custodian and a trustee of, the New York City Pension Funds. The New York City Pension Funds are comprised 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.

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

New York City Employees' Retirement System: Mayor Bill de Blasio's Representative, John Adler (Chair); New York City Public Advocate Letitia James; Borough Presidents: Gale Brewer (Manhattan), Melinda Katz (Queens), Eric Adams (Brooklyn), James Oddo (Staten Island), and Ruben Diaz, Jr. (Bronx); Henry Garrido, 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: Mayor Bill de Blasio's Appointee, John Adler; Chancellor's Representative, Raymond Orlando, New York City Department of Education; and Sandra March, Thomas Brown and David Kazansky, all of the United Federation of Teachers.

New York City Police Pension Fund: Mayor Bill de Blasio's Representative, John Adler; New York City Finance Commissioner Jacques Jiha; New York City Police

Commissioner William Bratton (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: Mayor Bill de Blasio's Representative, John Adler; New York City Fire Commissioner Daniel A. Nigro (Chair); New York City Finance Commissioner Jacques Jiha; Stephen Cassidy, President, James Slevin, Vice President, Edward Brown, Treasurer, and John Kelly, Brooklyn Representative and Chair, Uniformed Firefighters Association of Greater New York; John Farina, Captains' Rep.; Paul Ferro, Chiefs' Rep., and James J. McGowan, Lieutenants' Rep., Uniformed Fire Officers Association; and, Thomas Phelan, Marine Engineers Association.

Board of Education Retirement System: Schools Chancellor Carmen Fariña; Mayoral: Issac Carmignami, Elzora T. Cleveland, Norm Fruchter, Vanessa Leung, Lori Podvesker, Stephanie Soto, Miguelina Zorilla-Aristy; Benjamin Shuldiner, Laura Zingmond (Manhattan BP), Fred Baptiste (Brooklyn BP), Debra Dillingham (Queens BP), Robert Powell (Bronx BP) and Kamillah Payne-Hanks (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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