

The 2009 Shareholder Proposal Programs Of the New York City Pension Funds & Retirement Systems

Executive Summary

Program Development Process

The New York City Comptroller is the chief investment adviser to the five New York City pension funds and retirement systems. As the chief investment adviser, the Comptroller is responsible for developing and implementing the funds' and systems' shareholder-proposal programs, and proxy voting policies and guidelines.

The Pension Policy Division of the New York City Comptroller's Office develops and implements the shareholder proposal programs of the five funds and systems. Consistent with the fiduciary obligations of the funds' and systems' boards of trustees, the programs are aimed at advancing corporate governance, and corporate social and environmental responsibility reforms at selected companies in which the funds and systems are shareowners. These reforms are aimed at enhancing the long-term value of the funds' and systems' investments and reducing potential risks. The proposed programs are presented by the Pension Policy Division to the Proxy Committee of each fund and system for review and approval. Each Proxy Committee acts on behalf of its respective Board of Trustees.

The New York City pension funds and retirement systems are:

- New York City Board of Education Retirement System (BERS)
- New York City Employees' Retirement System (NYCERS)
- New York City Fire Department Pension Fund (Fire)
- New York City Police Pension Fund (Police)
- New York City Teachers' Retirement System (TRS)

Summary of Significant Outcomes

In 2009, the Comptroller, on behalf of the boards of trustees of the funds and systems, submitted shareholder proposals on corporate governance issues to 32 companies ("focus list") requesting their boards of directors to adopt one or more of seven reforms; and shareholder proposals on fourteen specific corporate social and environmental responsibility issues to 92 companies ("focus list") requesting their boards of directors to adopt appropriate policies or to issue reports disclosing actions they took, or are taking, to address reported problems and to mitigate related risks.

In developing the "focus list" of companies that received corporate governance proposals, companies were screened against industry-specific average total returns for five-, three- and one-year periods, and a total of seven other screens, including corporate governance profiles, various public databases, percentage of outstanding shares held by institutional investors, and the potential impact on the funds' and systems' portfolios.

Corporate Governance Proposals

The proposed corporate governance reforms included:

- adopting a resolution to repeal the classified structure of the board of directors and establish annual elections of all directors;
- adopting a board protocol to effectively and fairly address shareholder proposals that win majority votes;
- adopting a policy to allow shareholders an advisory vote to ratify the compensation of named executive officers;
- adopting a pay-for-superior performance standard in company executive compensation plans for senior executives;
- adopting a by-law amendment to establish a majority vote standard in director elections;
- adopting a policy requiring that a significant portion of future stock options granted to senior executives be performance-based; and,
- adopting a policy authorizing expedited disclosure of vote results to the proponents of shareholder proposals (a new proposal).

Summary of Results

Shareholder support for a significant number of proposals was strong. Majority votes in support of proposals were won at 8 companies, and proposals were adopted by the boards of directors at thirteen companies.

The proposal that sought the repeal of the classified structure of corporate boards of directors and called for the annual election of all directors was adopted by the Board of Directors at King Pharmaceuticals; Lattice Semiconductor; and Christopher & Banks. It won majority votes at the following five companies: Christopher & Banks Corp. (82% majority vote, and was subsequently adopted); Convergys Corporation (64.9% majority vote); Georgia Gulf Corporation (51.2% majority vote); Neurocrine Biosciences (68.3% majority vote); and Newport Corporation (66.7% majority vote).

The proposal that requested boards of directors to establish an engagement process with proponents of shareholders proposals that are supported by majority votes was adopted by the Board of Directors at Convergys Corporation; Christopher & Banks; Invacare Corporation; and Newport Corporation.

The proposal that sought the adoption of a policy to allow shareholders an advisory vote to ratify the compensation of named executive officers was adopted by the Board of

Directors of Charming Shoppes. It won majority votes at Applied Micro Circuits (57.7% majority vote); and KB Homes (51.8% majority vote).

Shareholder support for the proposal that sought board adoption of a by-law amendment to establish a majority-vote standard in director election was adopted by the Board of Directors at Affymetrix, Inc.; Avid Technology; Chico's FAS; Lear Corporation; and Pacific Sunwear of California.

Finally, the proposal that requested corporate boards of directors to authorize expedited disclosure of vote results to the proponents of shareholder proposals, a new proposal, was adopted by the Board of Directors at Google, Inc. and Lattice Semiconductor. It won a 52.5% majority vote at Massey Energy.

One company, Consol Energy, sought the concurrence of the Securities and Exchange Commission (SEC) with its arguments in support of its intent to omit the proposal from its proxy statement. The company argued that the proposal would violate Regulation FD, which prohibits selective disclosure of material information; that it was vague and indefinite; and that it would further a special interest not shared by other investors. However, the SEC did not agree with the company's arguments. In a February 27, 2009 response to Consol Energy's "no-action" request, the SEC's Corporation Finance Division stated that it was unable to concur with Consol Energy's views that the company could omit the proposal from its proxy materials.

Subsequently, the proposal was presented at the company's annual meeting for the consideration and vote of shareholders. The shareholders showed strong support for the proposal with a 48.9% vote.

The issue was covered in an article posted in the March 17, 2009 Risk & Governance Blog of RiskMetrics Group, an independent proxy service provider. The article, *SEC Rejects Challenge to Proposal on Timely Vote Disclosure*, stated that the proposal reflected the frustration experienced by proponents of shareholder proposals over the refusal of some companies to release vote results on a timely basis, even though such companies often have preliminary vote results (because of electronic voting by many institutions) at their annual meetings. While many companies release preliminary results, some companies wait until their next 10-Q filing, which may be three months after their annual meetings, to disclose final vote results on shareholder proposals.

The Council of Institutional Investors (CII) has adopted a policy that calls on companies to release preliminary vote results at their annual meetings and to disclose final vote results via a press release, 8-K filing, or a website announcement no later than one month after an annual meeting. CII contends that early release of final vote results would help to improve communications between companies and shareholders, and board accountability to shareholders.

Corporate Social and Environmental Responsibility Proposals

Proposals on corporate social and environmental responsibility issues were submitted to 92 companies, requesting either board adoption of a specific policy or issuance of reports disclosing board policy or actions on fourteen specific issues.

The corporate social and environmental responsibility program included proposals asking companies to take one or more of the following actions:

- adopt an explicit prohibition of work-place discrimination based on sexual orientation and gender identity;
- issue a sustainability report, i.e. disclosing social, environmental, and economic performance;
- implement the International Labor Organization (ILO) and U.N. Human Rights Norms in their international operations, and allow for independent monitoring of compliance;
- report on efforts to reduce carbon dioxide and other emissions from operations and from the use of primary product(s);
- publicly adopt quantitative goals, based on current and emerging technologies, for reducing total greenhouse gas emissions from company operations, and issue a report to the shareholders on plans to achieve these goals;
- report on a company's collaboration with policymakers to design new incentives that will provide financial returns for the company to reduce greenhouse gas emissions by improving the efficiency with which customers use energy;
- implement the MacBride Principles and allow for independent monitoring of compliance;
- disclose political contributions;
- report on company policy and procedures regarding company assessment of the adequacy of host countries' standards to protect human health, the environment, and company reputation;
- report on policies, procedures, and practices for obtaining consent of indigenous peoples who are affected by company activities, whether as operator or minority partner, through recognized and official governance structures, and a company's policies to avoid contact with indigenous peoples living in voluntary isolation;
- report on company Internet management practices, given significant public policy concerns regarding the public's expectations of privacy and freedom of expression on the Internet;
- report on a company's response to rising regulatory, competitive and public pressures to halt the sales of tobacco products in drugstores

- establish a committee of independent directors to review allegations of financial misconduct and human rights abuses on the part of the company and its employees in Iraq, and report to shareholders on its findings, with recommendations for improved oversight of the company's international operations; and
- select and recommend for election to a company's board of directors at least one candidate with a high level of expertise in environmental matters relevant to mining.

Summary of Results

Proposals were adopted by the board of directors at 26 companies; and one proposal received a majority vote of 54.2%.

Nine companies--Allegheny Technologies; Anixter International; Devon Energy; HCC Insurance Holdings; Health Management Associates; Holly Corporation; The Pantry; Timken Company; and UGI Corporation agreed to adopt an explicit prohibition against workplace discrimination based on sexual orientation. Ten companies: Atmos Energy; Autoliv Inc.; Community Health Systems; Core-Mark Holding Company; FMC Technologies; Genworth Financial; Integrys Energy Group; Jacobs Engineering Group; Western Union; and World Fuel Services--agreed to adopt an explicit prohibition against workplace discrimination based on gender identity. The proposal won a majority vote of 54.2% at D.R. Horton.

The proposal that asked companies to issue a sustainability report was adopted by Marriott International.

The proposal that requested companies to commit to their international suppliers' and their own international production facilities' implementation of, and independent monitoring of and compliance with, a code of conduct based on the ILO Human Rights Standards and the United Nations' Norms on the Responsibilities of Transnational Corporations with Regard to Human Rights, was adopted by Xerox Corporation.

The proposal that asked companies to report on their collaboration with policymakers in designing new incentives for improving the energy efficiency of their products and services, thereby contributing to the reduction of greenhouse gas emissions, was adopted by Westar Energy.

Two companies, TJX Companies and Warner Chilcott Ltd., agreed to implement the MacBride Principles and to allow independent monitoring of their compliance with the Principles.

The proposal that asked companies to disclose their political contributions was adopted by three companies--Entergy Corporation; Hartford Financial Services Group; and H.J. Heinz Company.

Finally, the proposal that requested companies to report on their Internet management practices, given significant public policy concerns regarding the public's expectations of privacy and freedom of expression on the Internet, was adopted by Knology, Inc.

**NEW YORK CITY PENSION FUNDS' AND RETIREMENT SYSTEMS'
2009 SHAREHOLDER PROPOSALS & RESULTS
(As of October 23, 2009)**

I. CORPORATE GOVERNANCE PROPOSALS

Proposal #1: Repeal the Classified Board—Requests company directors to take the necessary steps to repeal the classified structure of company boards, and establish annual elections of all directors.

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
1. Belo Corporation	All NYC funds ¹	24% vote	26.6 % vote
2. Christopher & Banks	TRS, Police, Fire	84% majority vote	82.1 % majority vote (subsequently adopted)
3. Convergys Corporation	NYCERS, BERS	n/a ² 79.5 % majority vote in 2006	64.9 % majority vote
4. Georgia Gulf Corporation	NYCERS, Police	Company claimed proposal was not received	51.2 % majority vote
5. Invacare Corporation	TRS, Police	59.51% majority vote	Withdrawn-- based on commitment to allow shareholders a vote to amend the bylaw in 2010
6. King Pharmaceuticals	NYCERS, BERS	n/a 84 % majority vote in 2006	Adopted

¹ There are five NYC funds: New York City Board of Education Retirement System (BERS); New York City Employees' Retirement System (NYCERS); New York City Fire Department Pension Fund (Fire); New York City Police Pension Fund (Police); and New York City Teachers' Retirement System (TRS).

² Proposal was not submitted to the company for presentation at its 2008 annual meeting.

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
7. Lattice Semiconductor	TRS, Police	94.74% majority vote	Adopted
8. Neurocrine Biosciences	TRS, Police, Fire, BERS	68.09% majority vote	68.3% majority vote
9. Newport Corporation	TRS, Police, Fire	52.62% majority vote	66.7% majority vote
10. Spectrum Brands, Inc.	All NYC funds	44.1% vote	Company filed for Chapter 11 bankruptcy protection

Proposal #2: Majority Vote Protocol—Requests the board to initiate an appropriate procedure to amend company governance documents to establish an engagement process with the proponents of shareholder proposals that are supported by a majority of the votes cast, excluding abstentions and broker non-votes, at any annual meeting.

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
1. Convergys Corporation	Fire, TRS, Police	n/a	Adopted
2. Christopher & Banks Corp.	NYCERS, BERS	n/a	Adopted
3. HCC Insurance Holdings	Fire	20.81% vote	Withdrawn (based on adoption of sexual orientation proposal that won majority vote in 2007 and 2008)
4. Invacare Corporation	NYCERS, BERS	n/a	Adopted

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
5. King Pharmaceuticals	Fire, TRS, Police	n/a	Withdrawn (based on adoption of classified board proposal that won a majority vote in 2006)
6. Lattice Semiconductor	Fire	n/a	Withdrawn (based on adoption of classified board proposal that won a majority vote in 2008)
7. Lear Corporation	TRS, Police	n/a	48.9 % vote
8. Neurocrine Biosciences	NYCERS	55.58% majority vote	filed (was not included in proxy; company to investigate)
9. Newport Corporation	NYCERS, BERS	n/a	Adopted

Proposal #3: Advisory Vote on Pay—Requests board adoption of a policy to provide shareholders, at each annual meeting, an opportunity to vote on an advisory resolution, to be proposed by management, that ratifies the compensation of the named executive officers (“NEOs”).

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
1. Applied Micro Circuits	All NYC funds	The Company inadvertently omitted the proposal from	57.7 % (majority vote)

			its proxy statement
2. Charming Shoppes, Inc.	All NYC funds	n/a	Adopted
3. Home Depot	All NYC funds	42.1% vote	44% vote
4. KB Home	All NYC funds	n/a	51.8% majority vote
5. Rite Aid Corporation	NYCERS, TRS	n/a	25.2 % vote
6. Ryland Group, Inc.	All NYC funds	n/a	44.5% vote

Proposal #4: Pay For Superior Performance—Requests the executive compensation committee of a company’s board of directors to establish a pay-for-superior-performance standard in the executive compensation plan for the company’s senior executives.

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
1. Chesapeake Corp.	NYCERS, Police	23.71% vote	filed (de-listed)
2. Pier 1 Imports, Inc.	All NYC funds	46.78% vote	24 % vote-- The Company sought SEC concurrence that it could omit the proposal from its proxy statement—the SEC did not concur
3. Tenet Healthcare Corp.	All NYC funds	15.72% vote	14.5% vote

Proposal #5: Majority Vote Standard in Director Elections—Requests the board to initiate an appropriate process to amend company governance documents to provide that director nominees shall be elected by the affirmative vote of the majority of votes cast at an annual meeting of shareholders, with plurality vote standard retained for contested director elections, that is, when the number of director nominees exceeds the number of board seats.

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
1. Affymetrix, Inc.	All NYC funds	n/a	Adopted
2. Avid Technology, Inc.	All NYC funds	n/a	Adopted
3. Centex Corporation	All NYC funds (Mass. Laborers’ Pension Fund— primary sponsor)	n/a	No annual meeting-- merged with Pulte Homes
4. Chico’s FAS, Inc.	All NYC funds	n/a	Adopted
5. Lear Corporation	Fire, BERS	n/a	Adopted
6. Pacific Sunwear of California, Inc.	All NYC funds	n/a	Adopted
7. Superior Industries Int’l	All NYC funds	37.7% vote	30.7% vote

Proposal #6: Performance-Based Stock Options—Requests the board to adopt a policy requiring that stock options, which are granted to senior executives as part of their compensation package, are performance-based.

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
1. Cardinal Health	All NYC funds	36.8% vote	42 % vote
2. PMC-Sierra, Inc.	All NYC funds	38.78% vote	42.8 % vote

Proposal # 7: Expedited Disclosure of Vote Results—Requests the board of directors to adopt a policy authorizing the company’s corporate secretary to disclose to proponents of shareholder proposals, at annual or special meetings where their proposals are presented, or within five business days thereafter, the preliminary vote results on their proposals or the final vote results, if available, excluding non-public material information. If the final vote results are unavailable at the annual or special meetings, or within five business days thereafter, disclose such results to proponents within ten business days after the vote tabulations are completed, excluding non-public material information.

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
1. CONSOL Energy, Inc.	NYCERS, BERS	n/a	48.9 %- The Company sought SEC concurrence that it could omit the proposal from its proxy statement—the SEC did not concur
2. Google, Inc.	NYCERS, BERS	n/a	Adopted
3. Lattice Semiconductor	NYCERS, BERS	n/a	Adopted
4. Massey Energy Company	NYCERS, BERS	n/a	Adopted

II. SOCIAL/ENVIRONMENTAL ISSUES-PROPOSALS

Proposal #1: Sexual Orientation/Gender Identity—Requests that management implements equal employment opportunity policies based on principles prohibiting discrimination regarding sexual orientation and gender identity.

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
1. Allegheny Technologies	All NYC funds	n/a	Adopted
2. American Financial Group	All NYC funds	36.6% vote	Omitted-- SEC agreed that the Company could omit the proposal
3. Anadarko Petroleum Corp.	All NYC funds	9.7% vote	38.0 % vote
4. Anixter International, Inc.	All NYC funds	n/a	Adopted

5. Atmos Energy Corp.	All NYC funds	n/a	Adopted (gender identity) ³
6. Autoliv, Inc.	All NYC funds	n/a	Adopted (gender identity)
7. Beazer Homes USA	All NYC funds	n/a	Withdrawn (Company provided proof of pre-existing policy)
8. BJ Services Company	All NYC funds	n/a	filed- (annual meeting to be held)
9. Chesapeake Energy Corp.	All NYC funds	n/a	41.40% vote-- (The Company sought SEC concurrence that it could omit the proposal from its proxy statement—the SEC did not concur)
10. Commercial Metals Co.	All NYC funds (co-sponsors)	n/a	44.0 % vote
11. Community Health Systems	All NYC funds	n/a	Adopted (gender identity)
12. Core-Mark Holding Company	All NYC funds	n/a	Adopted (gender identity)
13. Devon Energy Corporation	All NYC funds	n/a	Adopted

³ Company's policy prohibited discrimination based on sexual orientation, but did not include gender identity. In response to the proposal, the Company modified its policy to include gender identity.

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
14. D.R. Horton. Inc.	All NYC funds	n/a	54.2% majority vote
15. Eastman Chemical Co.	All NYC funds	10.1% vote	38.0% vote
16. ExxonMobil Corporation	All NYC funds	39.6% vote	39.3 % vote
17. FMC Technologies Inc.	All NYC funds	n/a	Adopted (gender identity)
18. Genworth Financial	All NYC funds	n/a	Adopted (gender identity)
19. HCC Insurance Holdings	NYCERS, TRS, BERS, Police	52.8%	Adopted (majority vote)
20. Health Management Associates	NYCERS, TRS, Police, Fire	n/a	Adopted
21. Hertz Global Holdings	All NYC funds	n/a	Adopted (gender identity)
22. Holly Corporation	All NYC funds	n/a	Adopted
23. Integrys Energy Group	All NYC funds	n/a	Adopted (gender identity)
24. Jacobs Engineering Group	All NYC funds	n/a	Adopted (gender identity)
25. Leggett & Platt, Inc.	All NYC funds	30.7% vote	42.3% vote
26. Mosaic Company	All NYC Funds	n/a	Withdrawn (Company provided proof of pre-existing policy)

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
27. Murphy Oil Corp.	All NYC funds	8.9% vote	33.1 % vote
28. National Oilwell Varco	All NYC funds	n/a	Withdrawn (Company provided proof of pre-existing policy)
29. Pilgrim's Pride Corporation	All NYC funds	n/a	Annual meeting was postponed
30. SYNEX Corporation	NYCERS, TRS, Fire	n/a	Withdrawn (Company Provided proof of pre-existing policy)
31. The Pantry	NYCERS, TRS, Fire	n/a	Adopted
32. Timken Company	All NYC funds	30.0% vote	Adopted
33. UGI Corporation	All NYC funds	n/a	Adopted
34. Western Refining, Inc.	All NYC funds	n/a	filed- (proposal was not presented at the annual meeting)
35. Western Union	All NYC funds	n/a	Adopted (gender identity)
36. World Fuel Services	All NYC funds	n/a	Adopted (gender identity)

Proposal #2: Sustainability Report—Requests that boards of directors issue reports to shareholders, by December 2009, at reasonable cost and omitting proprietary information, regarding company sustainability

policies and performance, including multiple, objective statistical indicators.

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
1. Apple Inc.	NYCERS, TRS, Fire (As-You-Sow, primary sponsor)	n/a	8.0 % vote
2. The Boeing Company	All NYC funds	n/a	Withdrawn (based on company's commitment to engage in dialogue)
3. Boston Properties, Inc.	All NYC funds	n/a	37.3% vote
4. Las Vegas Sands Corp.	All NYC funds	n/a	5.4 % vote
5. Marriott International	All NYC funds	n/a	Adopted
6. MGM Mirage	All NYC funds	n/a	22.5% vote
7. Safeway Inc.	All NYC funds	Withdrawn	Withdrawn (company committed to up-grade its CSR report)

Proposal #3: ILO Human Rights Standards—Requests that companies commit to the implementation of a code of conduct based on the ILO Human Rights Standards and the United Nations' Norms on the Responsibilities of Transnational Corporations with Regard to Human Rights, by their international suppliers and their own international production facilities, and commit to a program of outside, independent monitoring of compliance with these standards.

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
1. Archer Daniels Midland	All NYC funds	22.9 % vote	filed- (annual meeting to be held)

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
2. Cooper Industries	All NYC funds	n/a	filed- (proposal was not presented at annual meeting)
3. Kimberly-Clark Corp.	All NYC funds	9.6% vote	Withdrawn (Did not meet vote threshold required by the SEC for resubmission in the third year)
4. Lear Corporation	NYCERS	n/a	13.9% vote
5. Urban Outfitters, Inc.	All NYC funds	n/a	26.2 % vote
6. Xerox Corporation	All NYC funds	n/a	Adopted

Proposal #4: **Climate Change**—Requests a report [reviewed by a board committee of independent directors] regarding the company’s response to rising regulatory, competitive, and public pressure to significantly reduce carbon dioxide emissions from its operations and from the use of its primary product(s).

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
1. Alpha Natural Resources	All NYC funds	n/a	Omitted- SEC agreed that the company could omit the proposal
2. CONSOL Energy, Inc.	TRS, Police, Fire	39.6% vote	Omitted- SEC agreed that the company could omit the proposal

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
3. International Coal Group	All NYC funds	n/a	7.7 % vote
4. Massey Energy Company	TRS, Police, Fire	30.8% vote	45.6% vote
5. Mirant Corporation	All NYC funds	n/a	42.2% vote

Proposal #5: Quantitative Goals for Reducing Greenhouse Gas Emissions—Request company board of directors to adopt quantitative goals, based on current technologies, for reducing greenhouse gas emissions from company products and operations; and that companies report to their shareholders, by September 30, 2009, on their plans to achieve these goals.

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
1. Dynegey, Inc.	All NYC funds	n/a	20.8 % vote

Proposal #6: Work with Policymakers to Design New Incentives to Reduce Greenhouse Gas Emissions—Requests a report, reviewed by a board committee, on actions the company is taking to work with policymakers to design new incentives that will provide financial returns for the company to reduce greenhouse gas emissions by improving the efficiency with which its customers use energy.

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
1. Westar Energy, Inc.	All NYC funds	n/a	Adopted

Proposal #7: MacBride Principles—Requests company boards of directors to make all possible lawful efforts to implement and/or increase activity on each of the nine MacBride Principles.

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
1. BE Aerospace, Inc.	All NYC funds	13.4% vote	7.6 % vote
2. Crane Company	All NYC funds	11.4% vote	8.6% vote
3. Manpower, Inc.	All NYC funds	13.2% vote	11.5% vote (proposal was not presented)

			at the annual meeting)
4. TJX Companies, Inc.	All NYC funds	10.8% vote	Adopted
5. Warner Chilcott Ltd.	NYCERS, TRS, Fire	n/a	Adopted

Proposal #8: Political Contributions—Requests that companies provide political contribution reports, to be updated semi-annually, disclosing their policies, procedures, guidelines, monetary and non-monetary political contributions, including an accounting of company funds used, and identification of the person(s) who participated in the decision.

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
1. Altria Group, Inc.	All NYC funds	n/a	29.0 % vote
2. Burlington Northern-Santa Fe Corporation	All NYC funds	n/a	23.6% vote
3. Charles Schwab Corp.	All NYC funds	28.0% vote	26.8% vote
4. Dominion Resources Services, Inc.	All NYC funds	n/a	Withdrawn (substantially implemented)
5. DTE Energy Company	All NYC funds	29.7% vote	31.4% vote
6. Entergy Corporation	All NYC funds	28.2% vote	Adopted
7. Halliburton Company	TRS, Police, Fire	32.1% vote	27.6% vote- The company sought SEC concurrence that it could omit the proposal from its proxy statement—the SEC did not concur

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
8. Hartford Financial Services Group, Inc.	All NYC funds	n/a	Adopted
9. H. J. Heinz Company	All NYC funds	n/a	Adopted
10. Norfolk Southern Corp.	All NYC funds	n/a	33.9% vote
11. Regions Financial Corp.	All NYC funds	n/a	42.0% vote
12. Sprint Nextel	TRS, Police, Fire	n/a	38.4% vote
13. The Travelers Companies	All NYC funds	n/a	39.8% vote
14. Tyco International	NYCERS, TRS, Fire	n/a	Withdrawn (missed deadline)
15. Union Pacific Corp.	All NYC funds	35.4% vote	39.4% vote

Proposal #9: Global Environmental Standards—Requests that the board of directors prepare a report regarding the policies and procedures that guide the company’s assessment of host country laws and regulations with respect to the adequacy of the laws to protect human health, the environment, and the reputation of the company.

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
1. Chevron Corp.	All NYC funds	8.3% vote	8.5% vote-- The Company sought SEC concurrence that it could omit the proposal from its proxy statement—the SEC did not concur
2. Occidental Petroleum	All NYC funds	7.5% vote--	The company sought SEC concurrence that it could

omit the proposal from its proxy statement--the SEC did not concur

Proposal #10: Obtaining Consent of Indigenous Peoples—Requests that the board prepares a report regarding company policies, procedures, and practices for obtaining consent of indigenous peoples affected by the company’s activities—whether as operator or minority partner—through their recognized and official governance structure; and its policies to avoid contact with indigenous peoples living in voluntary isolation.

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
1. ConocoPhillips	All NYC funds (co-sponsor)	9.0% vote	Withdrawn by primary sponsor

Proposal #11: Internet Censorship—Requests that the board of directors prepare a report, excluding proprietary and confidential information, and to be made available to shareholders no later than November 30, 2009, examining the effects of the company’s Internet network management practices, in the context of the significant public policy concerns regarding the public’s expectations of privacy and freedom of expression on the Internet.

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
1. Charter Communications	All NYC funds	n/a	filed (Chapter 11 bankruptcy)
2. Comcast Corporation	NYCERS, Police, Fire, BERS	n/a	Omitted-- SEC agreed that the Company could omit the proposal

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
3. EarthLink, Inc.	All NYC funds	n/a	10.2% vote
4. Google, Inc.	TRS, Police, Fire	8.0% vote (similar proposal)	1.9% vote
5. Knology, Inc.	TRS	n/a	Adopted
6. Qwest Communications	All NYC funds	n/a	Omitted-- SEC agreed that the company could omit the proposal
7. Sprint Nextel	NYCERS, BERS	n/a	Omitted-- SEC agreed that the company could omit the proposal

Proposal #12: Drugstore Tobacco Sales—Requests the board of directors to prepare a report, to be made available to the shareholders by November 30, 2009, on how the company is responding to rising regulatory, competitive and public pressures to halt sales of tobacco products.

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
1. CVS Caremark Corp.	All NYC funds	n/a	Omitted-- SEC agreed that the company could omit the proposal
2. Longs Drug Stores	All NYC funds	n/a	withdrawn (acquired by CVS Caremark Corp.)

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
3. Rite Aid Corporation	Police, Fire, BERS	n/a	Omitted-- SEC agreed that the company could omit the proposal
4. Supervalu, Inc.	All NYC funds	n/a	7.5% vote
5. Walgreen Company	All NYC funds	n/a	filed-- (annual meeting to be held)

Proposal #13: War Profiteering—Requests the company to establish a committee of independent directors to review allegations of financial misconduct and human rights abuses on the part of the company and its employees in Iraq, and to report to shareholders on its findings with recommendations for improved oversight of the company’s international operations.

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
1. Halliburton Company	NYCERS, BERS	n/a	23.3% vote
2. KBR, Inc.	All NYC funds	n/a	34.7% vote

Proposal #14: Environmental Expertise in Selecting Director Nominees—Requests that, as the terms in office of elected directors expire, at least one candidate shall be selected and recommended for election to the company’s board who has a high level of expertise in environmental matters relevant to mining.

<u>COMPANY</u>	<u>SPONSOR</u>	<u>2008 VOTE</u>	<u>STATUS</u>
1. Freeport-McMoRan Copper & Gold, Inc.	All NYC funds	n/a	32.5% vote