NEW YORK CITY COMPTROLLER
SCOTT M. STRINGER

NEW YORK CITY PENSION FUNDS

2018 Shareowner Initiatives

POSTSEASON REPORT

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Corporate Governance and Responsible Investment Overview

The New York City Comptroller, as investment adviser to the five New York City pension funds and retirement systems (collectively "the NYC Funds"), is responsible for voting the NYC Funds' domestic proxies and developing and implementing the NYC Funds' initiatives. The NYC Funds are:

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

Consistent with the fiduciary obligations of the NYC Funds' Boards of Trustees, the proxy voting and shareowner initiatives programs actively promote sound corporate governance, responsible executive compensation and sustainable business practices at portfolio companies in order to protect and enhance the long-term value of the NYC Funds' investments.

Within the Comptroller's Office, the Bureau of Asset Management's Corporate Governance and Responsible Investment team develops and implements the proxy voting and shareowner initiative programs of the five systems, including engagement with management and directors at portfolio companies. Corporate Governance staff present the proposed programs to the Proxy Committee of each system for review and approval. Each Proxy Committee acts on behalf of its respective Board of Trustees.

This Report, which is prepared by the Comptroller's Office and reviewed by the Proxy Committee of each system, serves as the annual Proxy Committee Postseason Report ("Postseason Report") to each system's Board of Trustees. The Report covers proxy voting outcomes for the 12 months ending June 30, 2018, consistent with the fiscal year reporting period used by the five New York City pension funds and by the City of New York. Because most U.S. companies hold their annual meetings during the spring, June 30 is also consistent with the end of "proxy season" as generally understood by companies and investors.

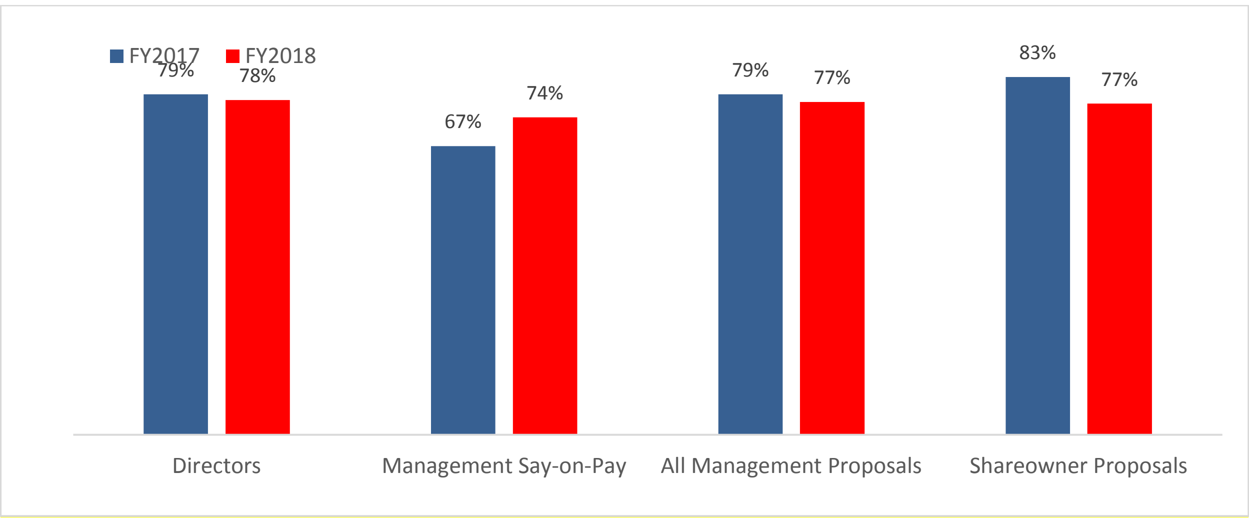
For shareowner initiatives and other company and regulatory engagements, the Report covers developments and outcomes since last year's Postseason Report, which generally corresponds to the fiscal year ending June 30. In order to provide timely reporting to the Proxy Committees and Boards of Trustees, however, the Report also includes developments subsequent to fiscal year-end and before the fall meetings of the Proxy Committees.

Proxy Voting

Effective January 1, 2018, the NYC Comptroller's Office, on behalf of the NYC Funds, began taking back voting authority for the NYC Funds' non-U.S. public equity holdings consisting of over 10,000 companies; previously, the Comptroller's Office only voted the NYC Funds' proxies for U.S. companies, while the NYC Funds' investment managers were contractually obligated to vote proxies for non-U.S. companies consistent with the NYC Funds' Global proxy voting guidelines. This transition, which was largely completed by June 30, 2018, is expected to result in greater consistency in applying the NYC Funds' global proxy voting guidelines.

For the 12 months ending June 30, 2018, which corresponds to the City's fiscal year, the Comptroller's Office cast 71,000 individual ballots at 7,000 shareowner meetings in 84 markets around the world, including 26,062 individual ballot items at 3,082 annual and special meetings for U.S. portfolio companies. Major proxy voting issues included: (a) the election of directors; (b) management proposals to ratify auditors and approve executive compensation, changes in corporate governance and mergers and acquisitions; and (c) shareowner proposals on a wide range of environmental, social, and governance (ESG) policies and practices.

Average Voting Support by Category - U.S. Only



Of all votes cast, 77.2 percent were for the management-recommended vote (as compared to 77.6 percent in Fiscal 2017). In addition, the NYC Funds voted for most shareowner proposals, which are opposed by management in nearly all cases (see above chart). During Fiscal 2018, these included, but were not limited to, shareowner proposals calling on companies to strengthen board of director diversity, independence and accountability; align executive pay with long-term performance; disclose corporate political and lobbying spending; and assess the impact on carbon assets of policies to limit global warming consistent with the goals established in the Paris Agreement.

As part of the transition to take back voting authority for non-U.S. companies, the NYC Funds—effective January 8, 2018 for U.S. companies and June 1, 2018 for non-U.S. companies—began to publicly disclose their proxy voting decisions as soon as they are cast (i.e., in advance of the annual meetings at which they are "officially cast" by proxy and tabulated)). The votes are available on the Proxy Voting Dashboard on the Comptroller's website (https://comptroller.nyc.gov/services/financial-matters/pension/corporate-governance/proxy-voting-dashboard/). The site publicly displays information within 24 to 48 hours of the votes being cast. Votes can be searched for U.S. and/or global companies using various criteria, including by individual company and pension system, and defined time periods, markets/geography, and sectors.

Executive Summary - Shareowner Initiatives

In addition to proxy voting, the NYC Funds also seek to protect and create long-term shareowner value by proactively advancing company-specific and regulatory reforms to strengthen investor rights, improve corporate governance, align executive pay with long-term performance, and promote sustainable business practices. The NYC Funds remain among the most active institutional investors in terms of filing shareowner proposals and also seek to engage with portfolio companies using other approaches, such as letter-writing and dialogue, often in collaboration with other institutional investors. The NYC Funds will generally withdraw proposals at companies that agree to implement the requested reform. Absent a negotiated withdrawal, proposals are subject to a vote of all shareowners at the companies' annual shareowner meetings.

During fiscal year 2018, the NYC Funds submitted 76 shareowner proposals to a total of 73 portfolio companies. The proposals requested, among other reforms, a proxy access bylaw to allow substantial long-term investors to nominate directors using the company's proxy statement; an enhanced executive compensation clawback policy; the establishment of quantitative greenhouse gas (GHG) reduction goals; as well as enhanced disclosure regarding gender pay equity gaps and processes, employee diversity, and corporate political spending. Concurrently, Comptroller Stringer and the NYC Funds, as part of a new initiative, Boardroom Accountability Project 2.0 (BAP 2.0), also wrote to 151 public companies in the NYC Funds' portfolios—80 percent of which are in the S&P 500 and almost all of which had adopted proxy access bylaws in response to shareowner proposals submitted by the NYC Funds—calling for the disclosure of a board "matrix," a table identifying the skills, gender and race/ethnicity of individual directors on the board; and engagement with independent directors regarding "refreshment" opportunities to bring qualified new voices and viewpoints into the boardroom. The NYC Funds also filed shareowner proposals at some of the company seeking similar disclosure. Among the significant outcomes:

- 35 companies enacted, or took steps necessary to enact, a meaningful proxy access bylaw with terms substantially similar to those requested by the shareowner proposal. Responsive companies included Citrix Systems, Humana, IBM, and Monster Beverage Corporation, among others.

- In total, more than 540 U.S. companies of various sizes and across industries have now enacted bylaws providing proxy access to shareowners holding at least three percent of the shares for three years—including more than 60 percent of the S&P 500—up from only six companies when the Boardroom Accountability Project was launched in fall 2014. Nearly one-third of these companies took action in response to a shareowner proposal from the NYC Funds.

- Over 35 companies now disclose not only board members' qualifications and skills, but also details concerning both gender and racial/ethnic diversity on their boards.

- A total of 62 BAP 2.0 focus companies have elected 77 new directors who identify as a woman or person of color—including 59 women, 19 African Americans, five Hispanic Americans, and two Asian Americans, and one Middle Eastern American.

- At least 24 companies publicly committed to include women and people of color in the candidate pool for every board search going forward, also known as the "Rooney Rule" of board governance. This particular change in boardroom culture is leading companies to cast a wider net for directors without sacrificing quality.

- Over 25 companies provided meaningful disclosure about their annual board evaluation processes to ensure that their directors—individually and in the aggregate—remain of the highest quality and that their boards are refreshed on an ongoing basis.

- Abbott Laboratories, Aetna, Baxter International, Edwards Lifesciences, MetLife, Principal Financial Group, The Progressive Corporation, and The Travelers Companies agreed to take steps to strengthen their gender pay equity analysis, processes, and/or disclosures.

- Assertio Therapeutics, Equifax, and Insys Therapeutics agreed to enhance their executive compensation clawback policy to cover misconduct that causes significant financial or reputational harm, and/or to disclose any clawback actions under their policy.

- AK Steel and US Steel agreed to establish quantitative goals for greenhouse gas emission reductions.

- Technology companies Lam Research and NetApp agreed to provide, respectively, new or expanded disclosure of employee diversity.

These initiatives are detailed below.

The Boardroom Accountability Project

Boardroom Accountability Project 1.0/Proxy Access

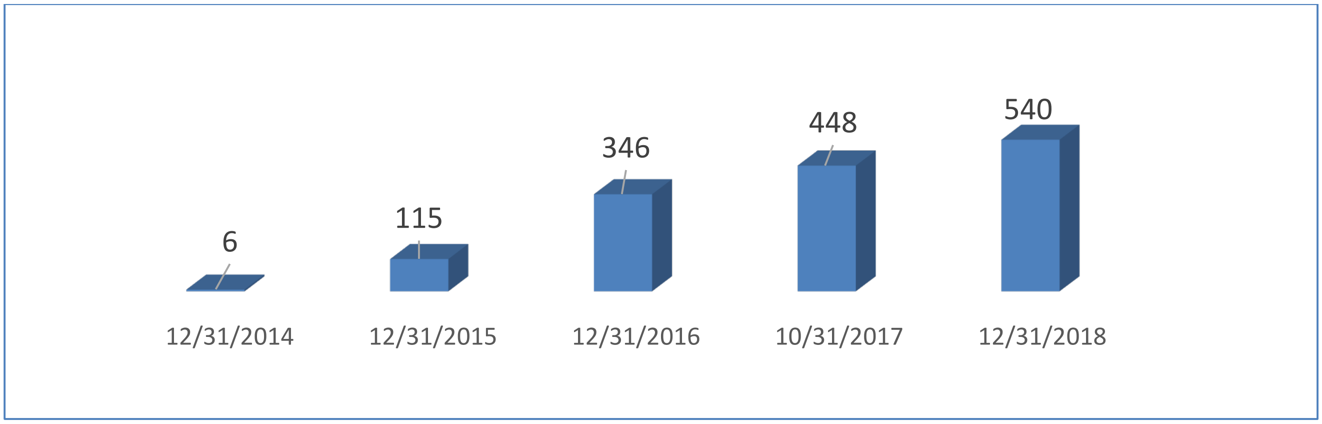
In a continuation of the Boardroom Accountability Project launched in fall 2014 to enact proxy access in the U.S. market on a company-by-company basis the NYC Funds submitted proposals requesting proxy access to 40 companies for the 2018 proxy season. (See the NYC Funds' 2015 Postseason Report for a description of the Boardroom Accountability and the critical role that proxy access can play in creating sustainable shareowner value by helping to ensure that boards are diverse, climate competent, independent, and accountable.)

The proposals specifically requested a proxy access bylaw permitting shareowners that have collectively held three percent of the company for at least three years to nominate up the greater of two directors or 25 percent of the board using the company's proxy materials. The terms are identical to those included in a rule enacted by the SEC in 2010 that provided proxy access at all U.S. public companies, but that was subsequently vacated by a federal court on procedural grounds.

Consistent with the methodologies used for 2015 to 2017, focus companies included those that awarded excessive executive compensation, companies with little or no apparent gender or racial diversity on their board, and companies that face significant risks related to climate change, which for 2018 included companies in high greenhouse gas (GHG) emitting industries that did not publicly disclose their GHG emissions through the Carbon Disclosure Project (CDP), as well as some of the NYC Funds' largest portfolio companies.

In response to the proposals, 35 companies enacted, or took steps necessary to enact, a meaningful proxy access bylaw with terms substantially similar to those requested by the shareowner proposal. Responsive companies included **Citrix Systems**, **Humana**, **IBM** and **Monster Beverage Corporation**, among others. The high settlement rate (88 percent), which exceeded last year's impressive settlement rate of 72 percent, stands in stark contrast to 2015, when the NYC Funds' withdrew only six of 75 proxy access proposals (8 percent).

U.S. Companies with Proxy Access Bylaws



In total, more than 540 U.S. companies of various sizes and across industries have now enacted bylaws providing proxy access to shareowners holding at least three percent of the shares for three years—including more than 60 percent of the S&P 500—up from only six companies when the Boardroom Accountability Project was launched in fall 2014. Nearly one-third of these companies took action in response to a shareowner proposal from the NYC Funds.

The proposals received strong majority support at Hospitality Properties Trust for the second consecutive year and Netflix for the fourth consecutive year. The proposals failed to pass at Charter Communications, at which Liberty Media controls 25% of the votes, and Universal Health Services (UHS), whose Chairman and CEO controls 85% of the votes, Because outside UHS shareowners are permitted to elect a subset of the company's board, the NYC Funds' proxy access proposal specifically requested the right for outside shareowners to nominate directors for these seats and the Comptroller's Office estimates that outside UHS shareowners cast a majority of their votes in favor of the NYC Funds' proposal.

Finally, the Comptroller's Office continued to partner with CalPERS to conduct joint solicitations in support of the proposals, which involved sending letters to each company's shareowners urging them to vote for the proposal (the letters are also filed with the SEC and available on the SEC's Edgar filing system) and conducting follow-up outreach.

See below table for a comprehensive list of 2018 proxy access focus companies and proposal outcomes. In addition, see page 37 for a cumulative list of proxy access outcomes for all of the NYC Funds' focus companies since the fall 2014 launch of the Boardroom Accountability Project.

Proxy Access Proposal Outcomes

	------------ Screening Criteria			------------	----- Vote Result	-----
Company	**Diversity**	**Climate**	**Pay**	**Other**	**2017**	**2018**
Activision Blizzard, Inc.	x		x			Settled
AECOM			x			Settled
Alexandria Real Estate Equities, Inc.	x					Settled
American Axle & Manufacturing Holdings, Inc.			x			Settled
ANSYS, Inc.	x					Settled
Charter Communications, Inc.			x			38.79%
Cincinnati Financial Corporation	x					Settled
Citrix Systems, Inc.	x					Settled
Concho Resources Inc.	x					Settled
Crown Castle International Corp.	x				86.60%	Settled
D.R. Horton, Inc.		x				Settled
Envision Healthcare Corporation			x			Settled
Extra Space Storage Inc.	x					Settled
Harris Corporation	x					Settled
Helmerich & Payne, Inc.	x	x				Settled
Hospitality Properties Trust			x	x	84.80%	85.00%
Humana Inc.	x				76.30%	Settled
Imperva, Inc.			x	x		Settled
International Business Machines Corporation				x	59.40%	Settled
M&T Bank Corporation	x					Settled
Martin Marietta Materials, Inc.		x			72.50%	Settled

Company	Diversity	Climate	Pay	Other	2017	2018
	------------ Screening Criteria ------------				----- Vote Result -----	
Micron Technology, Inc.						**Settled**
Mid-America Apartment Communities, Inc.	**x**					**Settled**
Minerals Technologies Inc.			**x**		**87.50%**	**Settled**
Monster Beverage Corporation	**x**				**40.70%**	**Settled**
NetApp, Inc.					**92.30%**	**Settled**
Netflix, Inc.				**x**	**66.80%**	**57.90%**
PACCAR Inc	**x**				**49.60%**	**Settled**
Palo Alto Networks, Inc.						**Settled**
Parker-Hannifin Corporation	**x**					**Settled**
Robert Half International Inc.	**x**					**Settled**
Senior Housing Properties Trust			**x**		**78.70%**	**Other**[1]
Signature Bank			**x**			**Settled**
Six Flags Entertainment Corporation			**x**			**Settled**
The Charles Schwab Corporation					**61.33%**	**Settled**
The Kroger Co.				**x**		**Settled**
The TJX Companies, Inc.			**x**			**Settled**
Tiffany & Co.	**x**					**Settled**
TransDigm Group Incorporated						**Settled**
Universal Health Services, Inc.	**x**				**8.30%**[2]	**8.41%**[2]

[1]Withdrawn following no action request to SEC after U.S. Postal Service failed to make overnight delivery by filing deadline

[2]UHS insiders control approximately 85% of the vote due to multi-class share structure

Boardroom Accountability Project 2.0/Board Skills, Experience and Diversity Matrix

Following up on the successful "Boardroom Accountability Project" launched in the fall of 2014 to give investors a meaningful voice in director elections through proxy access, New York City Comptroller Stringer and the NYC Funds launched the "Boardroom Accountability Project 2.0" in September 2017. The next phase of the campaign ratchets up pressure on companies to improve the quality of their boards of directors, with particular emphasis on diversity of gender and race and on climate competence, so that they are positioned to deliver better long-term sustainable returns for investors.

The effort is the logical next step for the Boardroom Accountability Project, in which the NYC Funds negotiated company-by-company to make proxy access—the right for shareowners to nominate directors using the corporate ballot—a market standard. Today, more than 450 companies provide proxy access, including over 65% of the S&P 500, up from about six companies when the Project was launched in the fall of 2014.

Proxy access provides long-term investors with a powerful tool. The mere specter of a proxy access candidate is expected to make boards more responsive to shareowner engagement, particularly with respect to board composition, thereby limiting the need for its actual use. Boardroom 2.0 is an ambitious effort to test this theory.

As part of the Boardroom 2.0 launch, therefore, Comptroller Stringer sent letters to the nominating/governance committee chairs of 151 companies requesting a dialogue on their processes for adding, evaluating and replacing board members (*i.e.*, board refreshment and evaluations). The letter also identified the board's process for soliciting shareowner input for potential candidates who are women and people of color as being among other potential discussion topics.

The recipients of the letter included 139 companies that enacted proxy access after receiving a proxy access shareowner proposal from the NYC Funds and 12 at which the NYC Funds' proposal received majority support in 2017. The complete focus list is available at https://comptroller.nyc.gov/wp-content/uploads/2017/09/BAP-2.0-Focus-List.pdf.

In most cases, the companies were initially targeted for proxy access because their board lacked adequate diversity or granted excessive CEO pay, they are carbon-intensive energy companies that face substantial risks related to climate change, or they are among the NYC Funds' largest portfolio companies.

In addition to the requested dialogue, the NYC Funds asked that each company disclose publicly a meaningful board matrix identifying each director's most relevant skills, experience, and attributes in light of the company's long-term strategy and risks, as well as each such individual's gender and race/ethnicity. At some of the companies, the NYC Funds subsequently submitted shareowner proposals requesting a board matrix that, among other attributes and qualifications, includes each director's gender and race/ethnicity.

The initiative comes at a transformative moment in the way the NYC Funds, among other institutional investors, approach board of director engagement and voting. Director independence and accountability remain essential, but they are no longer viewed as sufficient. Investors today want to ensure they have the right directors in the boardroom, with the necessary mix of relevant and diverse skills, experience, attributes, and perspectives to provide strong and effective oversight. For the NYC Funds and a growing list of other investors, this includes an explicit focus on diversity of gender and race/ethnicity.

There is a large and growing body of empirical research that suggests a positive correlation between board diversity and performance. Research by McKinsey, for example, suggests that companies with greater gender and ethnic board diversity have stronger financial performance.[1] Similarly, MSCI research suggests that gender diverse boards have fewer instances of bribery, corruption, and fraud.[2]

More and more boards report that recruiting diverse directors is a priority, and there is some evidence that this may be the case. In 2017, for example, white men for the first time represented a minority of the new directors added to S&P 500 companies, according to the 2017 Spencer Stuart U.S. Board Index.[3] Look a little deeper, however, and it's apparent that for too many boards increasing diversity is only a priority when it is convenient; it is a priority that lacks any sense of urgency.

The root of the problem is that, rather than rely on robust director assessment and refreshment processes, which require board leaders to have difficult conversations with directors who are underperforming or whose particular qualifications are no longer as relevant to the business, too many boards only recruit new directors to fill vacancies created when directors hit the board's retirement age or term limit.

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[1] https://www.mckinsey.com/business-functions/organization/our-insights/why-diversity-matters

[2] https://www.msci.com/documents/10199/04b6f646-d638-4878-9c61-4eb91748a82b

[3] https://www.spencerstuart.com/-/media/ssbi2017/ssbi_2017_final.pdf?la=en&hash=DADA958C9B4F21467A69938FF1C44D490AB93D58

This has significant consequences. Despite the high percentage of new women and minority directors in 2017, representation of women on S&P 500 boards inched up only 1%, from 21% to 22% of directors, and representation of African-American and Hispanics/Latino directors at the top 200 S&P 500 companies has not significantly changed over the past five to 10 years.[4]

The Boardroom Accountability Project 2.0 is a groundbreaking campaign that has resulted in unprecedented disclosure of corporate boardroom diversity and processes for "refreshment" to bring new voices and viewpoints into boardrooms. This second phase of the Boardroom Accountability Project has been a further step to make boards more diverse, independent, and climate-competent.

This campaign has produced very strong results to date, just as the initial Boardroom Accountability Project did in changing the market standards for the issues addressed. It is expected to have a similar multiplier effect beyond those companies targeted by the NYC Funds. Among the initiative's highlights in its first year were:

- Approximately 80 percent of the 151 targeted companies responded to the Boardroom Accountability Project 2.0 letters;
- Since September 2017, the Comptroller's Office substantively engaged with management teams at over 90 of the 151 companies targeted in the campaign, including dozens of directors;
- Over 35 companies now disclose not only board members' qualifications and skills, but also details concerning both gender and racial/ethnic diversity on their boards;
- To serve as a resource for the NYC Funds' other portfolio companies, the Comptroller's Office published a compendium of "'Best Practices' in Board Matrices"[5] that includes those disclosures that stand out for explaining how the companies' directors are each uniquely qualified to serve on their boards *and* that their boards have gender and racial/ethnic diversity that is clear without asking their investors to make assumptions about how their directors self-identify based on their proxy statement photographs or the spelling of their names;
- Through December 2018, the Comptroller's Office had tracked 62 targeted companies that have elected 77 new directors who identify as a woman or person of color—including 59 women, 19 African Americans, five Hispanic Americans, and two Asian Americans, and one Middle Eastern American;
- At least 24 companies publicly committed to include women and people of color in the candidate pool for every board search going forward, also known as the "Rooney Rule" of board governance. This particular change in boardroom culture is leading companies to cast a wider net for directors without sacrificing quality; and
- Over 25 companies provided meaningful disclosure about their annual board evaluation processes to ensure that their directors—individually and in the aggregate—remain of the highest quality and that their boards are refreshed on an ongoing basis.

In light of its extensive engagements on these issues, the Comptroller's Office worked with (1) the Council of Institutional Investors (CII) on its "Board Evaluation Disclosure"[6] report published by the CII Research and Education Fund in January 2019, and (2) the Midwest Investors Diversity Initiative on its "Examples of Diverse

[4] Ibid.
[5] See https://comptroller.nyc.gov/wp-content/uploads/2018/08/NYC-Comptrollers-Office-Matrices-Compendium-8-2018-FINAL.pdf.
[6] See https://docs.wixstatic.com/ugd/72d47f_e4206db9ca7547bf880979d02d0283ce.pdf

Candidate Search Language"[7] (also known as the board "Rooney Rule" language) released in July 2018. Both of these documents serve as additional resources for the NYC Funds' portfolio companies.

In addition, the Comptroller's Office is working with other organizations and database providers that have "board ready" members who are women and persons of color. These can be additionally helpful resources for investors and portfolio company boards, when they are conducting board searches.

Board Matrix Proposal Outcomes

As a follow-up to the Boardroom Accountability Project 2.0 letters, the NYC Funds submitted shareowner proposals to six of the targeted companies requesting that they provide a directors' matrix, with information on individual board member skills and attributes, including gender and race/ethnicity. The matrix approach requested by the above-referenced letters and in the shareowner proposals is consistent with the request in a March 2015 rulemaking petition to the SEC seeking mandatory matrix disclosure by all U.S. public companies that was signed by Comptroller Springer jointly with New York State Comptroller Thomas P. DiNapoli, state treasurers from Connecticut and North Carolina, as well as representatives from the California Public Employees Retirement System, California State Teachers Retirement System, Washington State Investment Board, Illinois State Board of investment and Ohio Public Employees Retirement Systems. (The rulemaking petition is available at https://www.sec.gov/rules/petitions/2015/petn4-682.pdf.)

The proposals were withdrawn from five companies that agreed to satisfactory meaningful disclosure. Responsive companies engaged significantly with the Comptroller's Office and began to take concrete steps to address the gaps in their board disclosures and refreshment processes. For example, Leucadia National Corporation (currently known as Jefferies Financial Group Inc.) completely adopted the form of board matrix proposed by the NYC Funds. Others such as Bed Bath & Beyond and Dentsply Sirona Inc. included a new individualized board matrix in their 2018 proxy statements that included most elements of the proposed matrix, in addition to other disclosures requested as part of the engagement, with an agreement to continue discussions to provide a more fulsome understanding of their board composition and refreshment processes. LKQ, which was in the midst of a comprehensive board evaluation process covering both quality and refreshment processes when it received the proposal, agreed to follow up with the Comptroller's Office after this proxy season (when they disclosed that they had added two new female directors) and to include in its 2019 proxy statement a matrix with individual director content, including gender and gender/racial diversity. Additionally, NRG Energy agreed to a post-season meeting with the Comptroller's Office and its independent Chairman (which occurred at the end of the summer), in which the topics included not only the proposed board matrix and related board refreshment disclosures, but also the political spending proposal submitted by the NYC Funds for the past three years (see page 17) and its board oversight of climate change risks.

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[7] See http://www.uawtrust.org/AdminCenter/Library.Files/Media/501/About%20Us/MIDI/Examples-of-Diverse-Candidate-Search-Language-070218.pdf.

Board Matrix Proposal Outcomes

Company	2018
Bed Bath & Beyond Inc.	Settled
DENTSPLY SIRONA Inc.	Settled
Exxon Mobil Corporation	16.47%
Leucadia National Corporation (currently known as Jefferies Financial Group Inc.)	Settled
LKQ Corporation	Settled
NRG Energy, Inc.	Settled

Of the six companies that received shareowner proposals, Exxon Mobil was the only one that refused to adopt such disclosure, and that sought permission, unsuccessfully, from the SEC to omit the proposal from its proxy statement. To support the NYC Funds' board matrix proposal at Exxon, the NYC Funds led a campaign to solicit shareowner support. In a letter to Exxon shareowners (and filed with the SEC), the NYC Funds set forth several reasons why a board matrix was particularly important at the company, including the important link between diverse boards and generally well-functioning boards. In addition, the proposed matrix would enable shareowners to assess the quality and diversity of Exxon's board and make fully informed voting decisions on director nominees. Many companies, including Exxon peers, disclose board matrices. Independent proxy advisors Glass Lewis and Egan Jones supported the proposal, and Glass Lewis concluded that "given the significant increase in the number of companies producing information similar to that requested by the proposal, we believe that the Company may be an outlier…as evidenced by the fact that both Chevron and Occidental Petroleum provide disclosure of their skills matrices." Exxon's current disclosure is inadequate and confusing, and the resulting vote of 16.5 percent was significant for a first-year proposal.

Other 2018 Shareowner Proposal/Initiatives

Addressing Gender Pay Discrimination

Building on the successes achieved last year, the NYC Funds filed proposals at nine healthcare and insurance companies asking for disclosure on how they address pay equity across categories such as gender and race. The proposal has gained strong traction and the NYC Funds settled eight of the nine proposals. Last year they filed proposals at 10 companies and settled seven of them.

Shareowners view pay equity not only as a legal issue complying with the Equal Pay Act, but also as a talent and therefore competitive issue for portfolio companies. As the pay gap garners increasing attention with the UK and other markets mandating some form of reporting around gender pay or other diversity issues, one can expect the issue to persist for some time as an area of concern for investors as well as regulators and legislators. An increasing number of states and localities for instance, have now passed laws barring employers from asking prospective candidates about previous pay, which is considered a factor contributing to the gender pay gap.

Gender Pay Equity Proposal Outcomes

Company	2017	2018
Abbott Laboratories		Settled
Aetna Inc.	16.60%	Settled
Baxter International Inc.		Settled
Edwards Lifesciences Corporation		Settled
Express Scripts Holding Company	7.20%	15.11%
MetLife, Inc.		Settled
Principal Financial Group, Inc.		Settled
The Progressive Corporation		Settled
The Travelers Companies, Inc.	18.29%	Settled

In response to the proposals, Progressive Corporation now reports no pay disparity across gender or race based on its analysis and that it regularly monitors pay equity. MetLife (co-filed with Pax World) reviews pay for disparities based on gender and race and made adjustments for a small fraction of its workforce last year. Principal Financial and Edwards Life Sciences are confident that they have robust processes in place which prevents any statistically significant pay gap. Travelers asserts that its processes, which include the use of external consultants, results in equitable pay across its employees, regardless of race and gender. Abbot similarly reports it has processes in place that result in comparable compensation regardless of race or gender.

The proposal was withdrawn at Baxter International and Aetna while they conduct pay gap analyses. It went to a vote at Express Scripts where support more than doubled to 15.1%, from 7.2% last year.

Increasing Disclosure of Employee Diversity

The NYC Funds continued to advocate for improved disclosure around employee diversity by asking tech companies to disclose their EEO-1 data for the second consecutive year. This follows previous successful campaigns at the finance and advertising industries. The EEO-1 data provide a breakdown of a company's workforce by gender and race/ethnicity across different job categories, including senior management. Shareowners seek such disclosures to be able to assess and benchmark the effectiveness of companies' diversity policies, practices and initiatives.

EEO-1 Disclosure Proposal Outcomes

Company	2016	2017	2018
Applied Materials, Inc.			43.83%
Juniper Networks, Inc.		25.10%	43.92%
Lam Research Corporation		43.40%	Settled
NetApp, Inc.		28.10%	Settled
The Charles Schwab Corporation	24.30%	25.90%	35.83%

The proposal was withdrawn at **NetApp** after the company expanded the disclosures it put out last year in response to the NYC Funds' 2017 proposal.. It was partially adopted at **Lam Research**, which will disclose, in its next sustainability report, the make-up of its global and U.S. workforce by gender and its U.S. employees by race/ethnicity. It will also expand on its website, its senior leadership staff of 13 executives, and provide more visibility in terms of biographical information and pictures, and expand disclosure around its inclusiveness and diversity initiatives.

The proposal went to vote at three companies and received substantial support at **Applied Materials**(43.8%), **Juniper Networks** (43.9%) and, for the fifth consecutive year, at **Charles Schwab,** where it received 35.8%, up substantially from 20% in 2014. These represent significant votes of support. Juniper Networks is now disclosing its comprehensive EEO-1 data.

Executive Compensation Clawbacks

The NYC Funds submitted executive compensation clawback proposals to seven companies seeking to both increase financial accountability for senior executives and encourage more effective legal and regulatory compliance. The NYC Funds submitted proposals to Assertio Therapeutics (formally known as Depomed)), Insys Therapeutics, Pfizer, and Johnson & Johnson as part of their active participation in Investors for Opioid Accountability (see page 22), a collaborative investor initiative that seeks to engage companies that manufacture, distribute or sell opioids and advocate for governance reforms to strengthen independent board oversight and transparency, and management accountability with respect to business risks related to the Opioid crisis.

The proposals asked each company's board, to adopt a policy to (1) empower the board of directors to recoup compensation from senior executives responsible for misconduct that causes significant financial and/or reputational harm to the companies, either through their own actions or through a failure of supervisory oversight, and (2) to provide for public disclosure of any clawback actions taken under the policy. At those companies that already had a policy empowering the board to clawback compensation from executives responsible for costly misconduct, the proposals specifically requested an amendment to the policy to require the board to disclose any clawback actions under the policy (*i.e.*, disclosure-only proposals).

The NYC Funds also submitted similar proposals to three companies following specific reported compliance failures or incidents that caused significant financial and/or reputational harm to the company, including:

1. Equifax, after the company announced in September 2017 a cybersecurity breach had potentially exposed sensitive information of approximately 143 million U.S. consumers; the company subsequently agreed to pay $6.3 million in consumer restitution and civil penalties for violations of federal law, including misleading customers regarding the usefulness of its "Equifax Credit Score.
2. Navient Corporation, after the U.S. Consumer Financial Protection Bureau filed a lawsuit in January 2017 alleging that the company violated Federal consumer financial laws by, among other improper practices, using shortcuts and deception to illegally cheat struggling student loan borrowers out of their rights to lower payments.
3. United Continental Holdings, following a number of costly customer service failures, including an April 2017 incident in which a 69-year-old Asian American passenger was violently removed from a flight, sparking public outrage around the world and a 4% decline United's share price over the following week after reports of the incident went "viral" on social media. While United settled with the passenger for an undisclosed amount later that month, the U.S. Department of Transportation fined United $2.75 million in January 2016 for its treatment of disabled passengers and for stranding passengers on delayed flights for more than three hours.

Executive Compensation Clawback Proposal Outcomes

Company	2018
Assertio Therapeutics , Inc.	Settled
Equifax Inc.	Settled
Insys Therapeutics, Inc.	Settled
Johnson & Johnson	Other[1]
Navient Corporation	Partially Settled
Pfizer Inc.	Other[1]
United Continental Holdings, Inc.	Other[2]

[1]withdrawn for procedural reasons after the companies requested permission from the SEC to omit the proposals from their proxy statements.
[2]United requested and received SEC permission to omit the proposal from its proxy statement.

The NYC Funds reached satisfactory settlements with all of the companies other than Navient, Johnson & Johnson, and Pfizer after they agreed to adopt new or amend existing policies to provide for misconduct-triggered clawbacks and disclosure of any such clawbacks. The NYC Funds withdrew the proposal at Navient after the company both requested permission from the SEC to exclude the proposal and also agreed to strengthen its existing clawback policy to add a trigger for misconduct (as narrowly defined) under a senior officer's supervision; Navient's revised policy still does not address misconduct that causes significant reputational harm or provide for disclosure of any clawback actions under the policy, as the proposal requested. The proposals at Johnson & Johnson (co-filed with the UAW Retirees Medical Benefits Trust) and Pfizer were withdrawn for procedural reasons after the companies requested no action relief from the SEC. Finally, United Continental Holdings requested and received permission to exclude the proposal on the basis that its existing policies substantially implemented the request.

Advocating for greenhouse gas (GHG) reductions at industrial companies

This year, the NYC Funds continued their efforts to address climate change risks to the portfolio by asking high- emitting companies to set science-based GHG reduction targets consistent with the goal of keeping warming well below 2-degree Celsius consistent with the goals of the Paris Agreement.

GHG Reduction Goals Outcomes

Company	2018
AK Steel Holding Corporation	Settled
Flowserve Corporation	22.07%
Illinois Tool Works Inc.	24.57%
L3 Technologies Inc.	Settled
Reliance Steel & Aluminum Co.	Settled)
United States Steel Corporation	Settled

The NYC Funds submitted the proposal to six companies, with three agreeing to substantially implement the proposal. It was withdrawn at **AK Steel** after the company agreed to do an inventory of scope 1 emissions at its steel-making plants, and to set and report goals by 2019. AK Steel will do likewise for scope 2 emissions by 2021 at the latest, and will annually assess the feasibility of adopting science-based targets and will also put a senior leader in charge. The proposal was also withdrawn at **US Steel**, (co-filed with lead filer Mercy Investments). The company committed to set company-wide GHG scope 1 reduction goals by 2019 and to continue engaging with the NYC Funds on its progress. The NYC Funds withdrew the proposal at **L3 Technologies** after the company and the Comptroller's Office agreed to have ongoing discussions on the issue. The discussions are yielding progress as the company inventories its scope 1 footprint.

The NYC Funds withdrew the proposal submitted to **Reliance Steel** following engagement and determining that it is mainly a distributer, rather than a producer, of steel. The company nevertheless agreed to provide more information about its environmental impact and initiatives on its website and in its SEC filings, and to annually assess the relevance of setting energy efficiency goals. The proposal garnered a 24.57% support at **Illinois Tool Works** (co-filed with Trillium) after the company and the NYC Funds engaged but were unable to come to an agreement. It received 22.07% support at **Flowserve**, which did not engage the NYC Funds in response to the proposal.

Seeking Disclosure of Corporate Political Spending

Over the past year, the NYC Funds engaged numerous companies, mainly in the utilities sector, to encourage robust board oversight and transparency of political spending. Board oversight and disclosure of corporate assets used for political purposes helps to mitigate the legal and regulatory risks that accompany political contributions and ensure that any corporate political spending is consistent with the long-term interests of the corporation and its shareowners and not at the whim of individual executives' political preferences.

Board oversight and transparency are especially important in the utility sector. First, companies' license to operate a public utility and or obtain approvals for oil exploration and production rely upon policymakers and government entities. Second, while some energy companies are adjusting their long-term business and capital allocation strategies to address mounting regulations to limit global warming, others are instead lobbying to block or weaken regulation, including in ways that may not be disclosed or consistent with their publicly–stated positions.

The NYC Funds' shareowner resolutions received strong investor support, including at **Alliant Energy** where the proposal once again received 39% support.

Corporate Political Spending Disclosure Proposal Outcomes

Company	2016	2017	2018
Alliant Energy Corporation		38.60%	39.02%
Great Plains Energy Incorporated		24.80%	n.a.[1]
NRG Energy, Inc.	49.40%	30.80%	35.22%

[1]Great Plain Energy Inc. merged with Westar Energy Inc. on 5/24/2018.

Other 2018 Company- Specific Shareowner Initiatives

Corporate Governance Response to Facebook's massive data privacy breach

In response to mid-March 2018 revelations that the personal data of 50 million American users had been harvested from **Facebook** and improperly shared with Cambridge Analytica for the purpose of influencing the 2016 U.S. presidential election, the Comptroller, in a March 2018 letter to Facebook's independent board members, called on the directors to adopt the following governance reforms in order to restore investor confidence in the board and its ability to provide independent and effective oversight:

1. Form a nominating committee of independent directors to reconstitute the board with at least three new and diverse independent directors;
2. Name an independent board chair to replace Mark Zuckerberg;
3. Assign explicit oversight of data privacy policies and risks to an independent board committee; and
4. Enact a robust clawback policy to address misconduct.

The initial news, which prompted a 9% share price drop that erased nearly $50 billion in shareowner value in two days, exacerbated longstanding investor concerns with the company's insular board of directors.

The Comptroller's request was consistent with the NYC Funds' policies and expectations, as well as their past votes (In 2017, the NYC Funds voted against 5 of 8 directors due to board independence concerns, and for a shareowner proposal calling for an independent chairman. In 2018, the NYC Funds voted against 7 of 8 directors, all of whom had been on the board since at least 2013, and for all shareowner proposals, most of which called for enhanced board oversight.)

The Comptroller's Office was invited to engage in late May 2018 with Facebook management, after which the Facebook board modified the Charter of its newly named Audit & Risk Oversight Committee to include oversight of data privacy. However, none of the Comptroller's other requests for reforms have yet been implemented.

Other Noteworthy Company Initiatives

Over the past year, the Comptroller signed or cosigned letters to portfolio companies calling for various corporate governance reforms, consistent with the policies and long-term interests of the NYC Funds, including:

- A November 2018 letter, signed jointly with a coalition of investors with a combined $772 billion in total assets under management, to call on the independent members of the **Tesla** board of directors to commence a renewal of the board in light of the then-recent settlement between Tesla, Elon Musk, and the SEC. Among the specific requests in the letter, the investors called on the independent members of the board to create and disclose a robust refreshment plan, including a timeline for director departures; improve director independence by engaging with shareowners to create a suitable pool of director candidates; enhance the board's skill sets by developing a diverse candidate pool with industry-specific, human capital management, regulatory, and corporate governance expertise; permanently separate the positions of CEO and Chair; adopt proxy access and annual director elections; and strengthen the board's clawback provisions.

- In response to an announcement by **Wells Fargo** that it may have harmed approximately 570,000 retail customers by allegedly charging them for auto loan insurance they had neither requested nor needed, Comptroller Stringer, in July 28, 2017 letter, called on the independent directors of the Wells Fargo board to replace Chairman Stephen Sanger with a new independent Chair and to initiate a board overhaul. On August 15, 2017, the company announced that Mr. Sanger would step down as Chair and that independent board member and former Federal Reserve governor who Elizabeth Duke would become Chair effective January 1, 2018.

- March 2018 joint investor letters to **Hewlett Packard, Inc**. and **Target Corporation** to call on the relevant board committee to oversee an audit of all port trucking companies in Target's supply chain to determine if any violated the company's vendor standards and ensure that all of its transportation and logistics providers are in compliance with the company's vendor standards and codes of conduct. The requests followed a USA Today investigative report in June 2017, "Rigged: Forced into debt. Worked past exhaustion. Left with nothing," that linked Target, HP and other U.S. retailers to port trucking companies operating in the ports of Los Angeles and Long Beach that have systematically exploited workers. The article was the first in a series documenting widespread worker abuse across the port trucking industry and exploring the role and response of retailers that rely on it. After USA TODAY published the investigation," it reported that that "the port trucking industry experienced months of upheaval, including lawsuits from both truckers and the Los Angeles City Attorney that demand companies stop systematically exploiting their workers." (USA TODAY, April 10, 2018) In a move by California lawmakers to deter companies from classifying truck drivers as independent contractors, Senate Bill 1402 (SB 1402), entitled "Dignity in the Driver's Seat," was introduced in the California Senate in April 2018 and subsequently passed. Retailers are now jointly liable for unpaid wage and hour violations incurred by their port drayage providers. This not only puts retailers on the hook financially, but underscores the political expectation that retailers must be proactive partners in eradicating a system that state law now describes as America's last sharecroppers.

- An October 2018 letter, from a coalition of institutional investors with $3.3 trillion in assets under management**, to S&P 500 index companies** to identify best practices for **pay ratio disclosure**. 2018 is the first year in which publicly traded U.S. companies are required to report the ratio of pay between the CEO. The NYC Funds have long supported pay ratio disclosure and have integrated the pay ratio into their proxy voting guidelines for advisory votes on executive compensation ("say-on-pay"). As explained by the letter, pay ratio disclosure provides key insights for investors on companies' approaches to human capital management and for casting advisory proxy votes on executive compensation plans. The letter notes: "We believe that a company's workforce is an asset to be invested in, not a cost to be minimized. Investments in employee compensation can motivate employees to be more productive and engaged in their work."

- A November 9, 2017 letter to the chair of the compensation committee of the **United Continental Holdings, Inc.** Board of Directors, expressed concerns regarding the legal, financial, and reputational risks that airlines increasingly face as a result of reported customer service problems prompted by series of customer service incidents at United and other U.S. airlines that caused significant financial, legal, and/or reputational harm to the respective parent companies—including the high-profile incident on United Flight 3411, in which an Asian-American passenger was violently removed from the plane, and the subsequent case in which United was forced to apologize after giving away a toddler's seat. Comptroller Stringer asked that the Compensation Committee consider compensation and governance reforms to help mitigate these risks at United Continental ("United"), including by strengthening the Board's oversight and disclosure of the airline's human capital management practices. In the letter the Comptroller requested that the board amend the company's clawback policy to (a) empower the compensation committee to recoup incentive compensation from a senior executive if there has been misconduct that causes significant financial or reputational harm to United and the senior executive either committed the misconduct or failed in his or her responsibility to manage or monitor conduct or risks. The board was unresponsive to the request leading the NYC funds to submit a shareowner proposal seeking an enhanced clawback policy coloring misconduct that causes financial or reputational harm to the company (see page 15).

- An April 2018 letter requesting that the **Santander Consumer USA Holdings Inc.** board of directors enact necessary corporate governance reforms to strengthen its independent oversight of the controlled company's subprime consumer lending practices, risks, and compliance. The specific reforms requested included naming additional independent directors with audit, compliance, and human capital management experience, as well as racial/ethnic and gender diversity; assign explicit oversight of human capital management to the Compensation Committee, including responsibility for reviewing reported concerns that the company's use of an automated call system may result in employment discrimination based on race, protected employee disabilities or other factors; and amend the company's clawback policy, which includes provisions covering misconduct to require disclosure to shareowners regarding any recoveries pursuant to the policy. Due to concerns regarding the board's independence, unresponsiveness, and failure to address material internal control weaknesses, among other governance concerns, the NYC Funds voted against the election of seven director nominees at the company's 2017 and 2018 annual meetings.

- A November 2018 letter from a coalition of investors representing over $2.6 trillion in assets under management to **Amazon.com, Inc**. to express concern about the company's lack of meaningful engagement with its shareowners**.** As the letter noted, Amazon has purposefully avoided constructive and substantive dialogue with its shareowners, often necessitating the filing of shareowner resolutions. Amazon's response to the filing of shareowner resolutions has also been noticeably striking. Since 2013, Amazon has sought no-action relief from the SEC for 24 of 35 resolutions brought by its shareowners, as opposed to working collaboratively with investors on the Company's exposure to some of our society's most significant social issues. Most notably, Amazon has challenged shareowner proposals relating to issues such as addressing the gender pay gap within its operations, the organizational processes in place for identifying human rights risks within its operations and supply chain, and disclosure on the use of criminal background checks in hiring decisions, all of which were denied exclusion by the SEC and which received the support of the NYC Funds**.** Investor-led engagement over the past few years has been rooted in concern related to Amazon's risk exposure due to Amazon's lack of disclosure regarding environmental, social, and governance.

- Specifically on behalf of the New York City Teachers' Retirement System, Comptroller Stringer sent an August 8, 2018 letter to the board of **Dick's Sporting Goods** requesting a discussion of the financial and reputational risks associated with the sale of firearms and related accessories. The letter acknowledged the company's progress in 2018 in ending the sale of assault-style weapons, raising the minimum age to 21 for all gun sales, ending the sale of high-capacity magazines and other accessories used with weapons similar to the AR-15, and agreeing to destroy the assault-style rifles and accessories that the company will no longer sell instead of returning them to manufacturers. In the letter, Comptroller Stringer urged the Company to take a further lead in eliminating entirely firearm sales at all of its stores and on its web sites given that investors are being asked to take undisclosed and substantial financial risks, with virtually no material upside to long-term shareowner value. In its response, the company highlighted its commitment to firearm safety and detailed its firearms compliance and safety policies.

- A December 2017 joint investor letter to **General Motors** expressing concern that the company's current and future fleet emissions are not consistent with the Paris Agreement climate goals and the global commitment to a clean energy transition. The letters calls on GM to enhance its climate risk reporting including 2 Degree scenario analysis consistent with recommendations of the TCFD and publicly support retaining the current US fuel economy and GHG vehicle Standards. The letter was coordinated by

CERES, in connection with the Climate Action 100+ (through which, the NYC Funds have assumed engagement leadership for GM) and signed by investors representing $1.284 trillion in assets under management.

- An October 3, 2017 letter to the Chairman of **Johnson & Johnson** regarding potential financial, legal, and reputational risks the company faces related to the manufacturing and sale of opioids, and asking that the board consider adopting governance reforms designed to mitigate those risks, including to enact an enhanced clawback policy, name an independent board chairman, and create a special committee of independent directors to investigate and report to shareholders the company's role in the opioid epidemic and the extent to which the company's financial results depends on sales of opioids and how the board is managing and mitigating the resulting legal financial and reputational risks. The letter was co-signed by institutional investor members of Investors for Opioid Accountability (IOA, 2 23) with a combined $1.1 trillion in assets. IOA members sent similar request letters, many of which were cosigned by the Comptroller, to other companies that manufacture or sell opioids and also subsequently filed shareowner proposals seeking similar reforms to many of those companies, including the NYC Funds' submissions of proposals seeking enhanced clawback policies at Johnson & Johnson as well as at Insys Therapeutics.

Collaborative Shareowner Initiatives

Investors for Opioid Accountability (IOA)

In July 2017, the UAW Retirement Benefits Trust and Mercy Investments, building on an earlier shareowner campaign of the Teamsters and others, launched a coalition to address the risks of the opioid crisis to investors. The group includes a mix of Treasurers, faith-based organizations, union-sponsored pension funds, and public pension funds that include the New York City funds. The coalition has grown from 30 investors with $1.3 trillion in assets, to over 46 investors with over $2.2 trillion in assets.

The breadth of the opioid crisis has significant implications the NYC Funds' investments as well as the broader economy. With opioid-related deaths averaging 91 per day in the U.S., and affecting people of prime working age, studies conclude that this is affecting worker productivity, healthcare, and criminal justice costs, among others. Portfolio companies are now faced with serious legal and reputational risks as fines are imposed, states and localities sue, and corporate heads are deposed to testify before Congress.

The group targeted 10 companies last year for engagement and governance reforms to mitigate opioid risks. These include distributers McKesson, Cardinal Health, and AmerisourceBergen; opioid manufacturers Assertio Therapeutics, Endo, Insys, Johnson & Johnson, and Mallinckrodt; and treatment and addiction drug manufacturers Pfizer and Alkermes. The requested reforms span a broad range of issues including forming a committee of independent directors to assess and report on the business risks of opioid to the company, adopt and/or strengthen clawback policies, independent board chair, political spending and/or lobbying, drug pricing, accelerated vesting, and exclusion of legal costs in executive pay awards.

As part of their participation in the group, the NYC Funds filed shareowner proposals seeking enhanced clawback policies at **Assertio Therapeutics**, **Insys Therapeutics**, **Johnson & Johnson,** and **Pfizer**.

Climate Action 100+

The NYC Funds joined the Climate 100+, a coalition of worldwide investors that seek to engage the largest global GHG emitters over a five-year period to achieve the goals of the Paris Climate Agreement. The initiative encourages companies to "improve their governance on climate change, curb emissions and strengthen climate-related disclosures" consistent with the goals of the Paris Agreement and the Task Force on Climate-Related Financial Disclosures (TCFD) framework.

The Climate Action 100+ program is coordinated globally by the Asia Investor Group on Climate Change (AIGCC); Ceres; Investor Group on Climate Change (IGCC); Institutional Investors Group on Climate Change (IIGCC); and Principles for Responsible Investment (PRI). As of June 2018, the initiative had 289 investor signatories with over $30 trillion in assets across 29 countries.

The NYC Funds, along with other investors, are engaging with transportation sector companies, including General Motors, Ford, and Paccar; and also with General Electric, Southern Company, Duke Energy and AES.

Human Capital Management (HCM) Working Group

As long-term shareowners, the NYC Funds recognize that employees play a crucial role in ensuring any company's success. However, while companies frequently assert that their employees are their "most valuable asset," they generally disclose very little information about how they are managing their workforce – or, their "human capital" – to protect and create sustainable shareowner value.

In an effort to better understand the relationship between portfolio companies' human capital management practices and long-term performance, the Comptroller's Office, on behalf of the NYC Funds, joined with a group of 16 large institutional investors to form the Human Capital Management Coalition ("HCM Coalition") in 2013. Since 2013 and continuing through 2018, the HCM Coalition—which is spearheaded by the UAW Retiree Medical Benefits Trust and has grown to include 27 members with $2.9 trillion in assets—has assembled research, organized symposiums and supported member-led company engagements on human capital management practices and disclosures.

In a major step forward following four years of collective learning, in July 2017 the HCM Coalition filed a petition for rulemaking to the SEC requesting improved human capital disclosure. The petition calls on the SEC to adopt standards that would require listed companies to report on human capital management policies, practices, and performance. The petition argues the investor case for enhanced disclosure and provides a foundation upon which the SEC can build clear, comprehensive, and useful standards that would allow investors to better understand and assess how well companies are managing human capital.

Sustainability Accountability Standards Board (SASB)

In collaboration with other members of the SASB Investor Advisory Group, the Comptroller's Office consulted with public companies and encouraged them to provide disclosure of material Environmental, Social, and Governance (ESG) information, as a result of SASB's five-year-long initiative to develop industry-specific market standards. The Comptroller's Office continues to raise awareness of these materiality-based standards in conversations and engagements regarding sustainability-related transparency. The effort is consistent with the NYC Funds' longstanding efforts to encourage public companies to disclose meaningful and comparable ESG information to investors using globally recognized frameworks and protocols, including both SASB and the Global Reporting Initiative (GRI). As part of the NYC Funds' support for SASB, staff from the Bureau of Asset Management, including the CIO and Assistant Comptroller for Corporate Governance and Responsible Investment, in the Comptroller's Office serve as members of SASB's Investor Advisory Group.

2018 Regulatory Engagement

Over the past year, the Comptroller signed or co-signed various investor letters and statements in connection with proposed legislative and regulatory reforms and rollbacks, consistent with the policies and long-term interests of the NYC Funds. These efforts generally fell into one of two areas:

- **Defending Investor Rights** against mounting attacks, including on (a) the right of investors to submit shareowner proposals; and (b) the proxy advisory firms on which investors rely for independent research; and

- **Addressing Climate Change**, including supporting the Paris Agreement and opposing efforts to roll back regulations implemented during the Obama administration to help limit global warming to 2 degrees Celsius, the goals established in the Paris Agreement.

Defending Investor Rights

Over the past year investors confronted rapidly escalating attacks on their rights, including efforts to eviscerate the right to submit shareowner proposals and to receive timely access to genuinely independent research from proxy advisory firms. In response, Comptroller Stringer signed or co-signed the below letters and Corporate Governance staff participated in a Roundtable convened by the SEC to examine the proxy process and testified before the U.S. Senate Banking Committee,

- A November 2017 letter to the U.S. House of Representatives Committee on Financial Services Committee On Banking, Housing, And Urban Affairs expressing opposition to recently introduced legislation, H.R. 4015, the "Corporate Governance Reform and Transparency Act of 2017," that would impose restrictions on, and compromise the independence of, proxy advisory firms. The investor sign-on letter was coordinated by the Council Institutional Investors.

- A February 2018 letter to the U. S. Senate Committee On Banking, Housing, and Urban Affairs expressing opposition to legislation, H.R. 4015, "The Corporate Governance Reform And Transparency Act of 2017," that was referred to the Senate Banking Committee following its passage by the House of Representatives; and that would impose significant restrictions on proxy advisory firms that, if enacted, would increase costs for pension funds and other institutional investors with no clear benefits. The investor sign-on letter was coordinated by the Council institutional investors.

- A May 2018 investor letter to U.S. Senate Minority Leader Charles E Schumer (N.Y.) to express strong opposition to H.R. 4015, "The Corporate Governance Reform and Transparency Act of 2017," which is described above. Among other investors, the letter was co-signed by New York City Comptroller Scott M. Stringer, New York State Comptroller Thomas P. DiNapoli, and Executive Director for the New York State Teachers' Retirement System, [NAME?].

In addition to the above comment letters and statements, Michael Garland, Assistant Comptroller for Corporate Governance and Responsible Investment, participated on a panel to discuss shareholder proposals at a November 15, 2018 Roundtable on the Proxy Process convened by the SEC staff and subsequently appeared before the Senate Banking Committee on December 6, 2018 in order to provide testimony on (1) the role of proxy advisory firms, their involvement in the voting process and their current regulatory treatment; (2) the shareowner proposal process; and (3) the level of retail shareowner participation, its causes and whether the relatively low level of retail participation compared to institutional investors is cause for concern. Mr. Garland provided his written testimony in a January 2, 2019 comment letter to the SEC in connection with its November 15, 2018 Roundtable on the Proxy Process.

Distinct from the above efforts to oppose efforts to restrict investor rights, the New York City Pension Funds also joined with the Ontario Teachers' Pension Plan and the California Public Employees' Retirement System in a May 17, 2018 letter to express support for the Transaction Fee Pilot for National Market System Stocks proposed by the SEC. The investors expressed their view that the Pilot will generate sufficient data to facilitate analysis of the effects that transaction-based fees and rebates may have on broker order routing behavior, execution quality, and market quality in general.

Supporting Reforms to Address Climate Change

Over the past year investors confronted rapidly escalating attacks on their rights, including efforts to eviscerate the right to submit shareowner proposals and to receive timely access to genuinely independent research from proxy advisory firms. In response, the Comptroller signed or co-signed:

- A September 2017 letter to President Trump to reinstate the Obama-era Federal Risk Management Standards (FFRMS) in the wake of Hurricanes Harvey and Irma which have left a devastating impact, both in terms of human life and economic activity. These standards provide guidance for more resilient federally funded buildings and infrastructure projects as to take full account of increasingly frequent and severe weather events. This letter was coordinated by CERES and signed by investors with nearly $210 billion in assets under management.

- An October 2017 letter to EPA Administrator Scott Pruitt from a group of investors, with over $867 billion in assets under management to retain the current 2022-2025 GHG vehicle standards. Climate change presents significant long-term risks to the global economy, and to investors across all asset classes. Strong standards will serve to mitigate that risk by providing significant GHG reductions and drive innovation. These standards will strengthen the U.S. economy and enhance the global competitiveness of the U.S. auto industry. This letter was coordinated by CERES and signed by investors representing more than $867 billion in assets under management.

- A December 2017 letter, cosigned by Comptroller Stringer and New York State Comptroller Thomas P. DiNapoli, calling on the EPA to reconsider the repeal of the Clean Power Plan in its notice of proposed rule-making (NPRM) as it will result in a significant increase in emissions of greenhouse gas pollutants and the potential economic costs of increasing temperatures due to anthropogenic climate change are significant.

- A December 2017 joint Investor letter to **General Motors** expressing concern that General Motors Company's current and future fleet emissions are not consistent with the Paris Agreement climate goals and the global commitment to a clean energy transition. The letters calls on GM to enhance its climate risk reporting including 2 Degree scenario analysis consistent with recommendations of the TCFD and publicly support retaining the current US fuel economy and GHG vehicle Standards. The letter was coordinated by CERES, in connection with Climate Action 100+, and signed by Investors representing $1.284 trillion in assets under management.

- A March 2018 letter to both the IOWA Senate and House of Representatives and MidAmerican Energy Company to oppose legislation Senate File 2311 introduced in Iowa which aims to roll back important and effective energy and renewable energy programs. Iowa is one of the first states to adopt a renewable portfolio standards and has been leader in developing policies that accelerate a robust renewable energy sector. The State highlighted energy efficiency as one-of-the-four key pillars in the

2016 Iowa Energy Plan. This Legislation would increase costs for Iowa businesses and undermine renewables and efficiency investments that are driving economic growth in the state. This letter was coordinated by CERES. The bill eventually passed despite investor opposition.

- A March 2018 Letter to the members of the Roundtable on Sustainable Palm Oil (RSPO) Secretariat and the RSPO Complaints Panel to express continuous support for the RSPO and the need for a more transparent and responsive complaints mechanism as it has failed to uphold its standards, particularly with respect to labor rights. A complaint was filed in 2016 against a member company (Indofood) for human rights abuses in its operation which have yet to be addressed properly. It's asking for immediate action to ensure non-compliances with RSPO standards are resolved in a timely and transparent manner, to the satisfaction of all stakeholders. This letter was coordinated by Domini Impact Investments LCC and Green Century Capital Management and signed by 101 institutional investors' representing more than $3.2 trillion in assets.

- An April 2018 letter to Chair of the (International Organization of the Securities Commission (IOSCO) expressing support for its ongoing review of ESG Issues in its Committee 1 and Growth and Merging Markets Committee. It encourages IOSCO to work with investors and stock exchanges to set a minimum, a global baseline for ESG disclosures and also seeks IOSCO's endorsement of the Financial Stability Board (FSB) Taskforce on Climate-related Financial Disclosures (TCFD) recommendations as means for a deeper examination of climate-related disclosures. The letter was coordinated by CERES.

- A May 2018 Statement to G7 Nations to achieve the Paris Agreements goals with utmost urgency including updating and strengthen nationally determined contribution in 2018 and completing it no later than 2020; accelerate private sector investment into the low carbon transition through a meaningful price on carbon and phase out fossil fuel subsidies by a set deadlines; and publicly support the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) recommendations and the extension of its term. The letter was coordinated by CERES, the Carbon disclosure Project (CDP), PRI, and other global Investors.

- July 2018 letters to selected Executive Committee and Board Member companies of the National Association of Manufacturers (NAM) calling for an end to the trade association's attacks on shareowners. Investors asked the companies to distance themselves from NAM's recent attempts to discredit shareowner engagement, particularly on climate change. These efforts have been undertaken primarily through NAM's membership in the Main Street Investors Coalition (MSIC) and through a report NAM funded and distributed that wrongly asserts that shareowner resolutions diminish company value. These letters were sent to 45 companies and were coordinated by Walden Asset Management and the California State Teachers' Retirement System and endorsed by more than 80 Institutional investors, including public pension funds, mutual funds, investment firms, and foundations.

- An August 2018 letter to Roundtable on Sustainable Palm Oil (RSPO) Secretariat to encourage the adoption of a robust and effective standard for sustainable Palm oil production during the RSPO'S 2018 Principles and Criteria review period. It encourages IOSCO to work with investors and stock exchanges to set a minimum, a global baseline for ESG disclosures and also seeks IOSCO's endorsement of the Financial Stability Board (FSB) Taskforce on Climate-related Financial Disclosures (TCFD) recommendations as means for a deeper examination of climate-related disclosures. The letter was coordinated by CERES and signed by investors representing $6.7 trillion in assets under management.

2018 Shareowner Proposal Results by Company

Company	Issue/Proposal	Proponents[1]	2018
Abbott Laboratories	Gender Pay Equity	B, F,N,P,T	Settled
Activision Blizzard, Inc.	Proxy Access	B,F,N,P,T	Settled
AECOM	Proxy Access	B,F,N,P,T	Settled
Aetna Inc.	Gender Pay Equity	B,F,N,P,T	Settled
AK Steel Holding Corporation	GHG Reduction Goals	B,F,N,P,T	Settled
Alexandria Real Estate Equities, Inc.	Proxy Access	B,F,N,P,T	Settled
Alliant Energy Corporation	Political Spending	B,F,N,P,T	39.02%
American Axle & Manufacturing Holdings, Inc.	Proxy Access	B,F,N,P,T	Settled
ANSYS, Inc.	Proxy Access	B,F,N,P,T	Settled
Applied Materials, Inc.	EEO-1 Disclosure	B,F,N,P,T	43.83%
Baxter International Inc.	Gender Pay Equity	B,F,N,P,T	Settled
Bed Bath & Beyond Inc.	Board Matrix (New)	B,F,N,P,T	Settled
Charter Communications, Inc.	Proxy Access	B,F,N,P,T	38.79%
Cincinnati Financial Corporation	Proxy Access	B,F,N,P,T	Settled
Citrix Systems, Inc.	Proxy Access	B,F,N,P,T	Settled
Concho Resources Inc.	Proxy Access	B,F,N,P,T	Settled
Crown Castle International Corp.	Proxy Access	B,F,N,P,T	Settled
D.R. Horton, Inc.	Proxy Access	B,F,N,P,T	Settled
DENTSPLY SIRONA Inc.	Board Matrix (New)	B,F,N,P,T	Settled
Assertio Therapeutics , Inc.	Clawback Policy	B,F,N,P,T	Settled
Edwards Lifesciences Corporation	Gender Pay Equity	B,F,N,P,T	Settled
Envision Healthcare Corporation	Proxy Access	B,F,N,P,T	Settled
Equifax Inc.	Clawback Policy	B,F,N,P,T	Settled
Express Scripts Holding Company	Gender Pay Equity	B,F,N,P,T	15.11%
Extra Space Storage Inc.	Proxy Access	B,F,N,P,T	Settled

Company	Issue/Proposal	Proponents[1]	2018
Exxon Mobil Corporation	Board Matrix (New)	B,F,N,P,T	16.47%
Flowserve Corporation	GHG Reduction Goals	B,F,N,P,T	22.07%
Great Plains Energy Incorporated	Political Spending	B,F,N,P,T	merger
Harris Corporation	Proxy Access	B,F,N,P,T	Settled
Helmerich & Payne, Inc.	Proxy Access	B,F,N,P,T	Settled
Hospitality Properties Trust	Proxy Access	B,F,N,P,T	85.00%
Humana Inc.	Proxy Access	B,F,N,P,T	Settled
Illinois Tool Works Inc.	GHG Reduction Goals	B,F,N,P,T	24.57%
Imperva, Inc.	Proxy Access	B,F,N,P,T	Settled
Insys Therapeutics, Inc.	Clawback Policy	B,F,N,P,T	Settled
International Business Machines Corporation	Proxy Access	B,F,N,P,T	Settled
Johnson & Johnson	Clawback Policy	B,F,N,P,T	Other
Juniper Networks, Inc.	EEO-1 Disclosure	B,F,N,P,T	43.92%
L3 Technologies Inc.	GHG Reduction Goals	B,F,N,P,T	settled
Lam Research Corporation	EEO-1 Disclosure	B,N, P	settled
Leucadia National Corporation	Board Matrix (New)	B,F,N,P,T	Settled
LKQ Corporation	Board Matrix (New)	B,F,N,P,T	Settled
M&T Bank Corporation	Proxy Access	B,F,N,P,T	Settled
Martin Marietta Materials, Inc.	Proxy Access	B,F,N,P,T	Settled
MetLife, Inc.	Gender Pay Equity	B,F,N,P,T	Settled
Micron Technology, Inc.	Proxy Access	B,F,N,P,T	Settled
Mid-America Apartment Communities, Inc.	Proxy Access	B,F,N,P,T	Settled
Minerals Technologies Inc.	Proxy Access	B,F,N,P,T	Settled
Monster Beverage Corporation	Proxy Access	B,F,N,P,T	Settled
Navient Corporation	Clawback Policy	B,F,N,P,T	Settled
NetApp, Inc.	EEO-1 Disclosure	B,N,P	Settled
NetApp, Inc.	Proxy Access	F,T	Settled

Company	Issue/Proposal	Proponents[1]	2018
Netflix, Inc.	Proxy Access	B,F,N,P,T	57.90%
NRG Energy, Inc.	Political Spending	B,F,N	35.22%
NRG Energy, Inc.	Board Matrix (New)	P,T	Settled
PACCAR Inc	Proxy Access	B,F,N,P,T	Settled
Palo Alto Networks, Inc.	Proxy Access	B,F,N,P,T	Settled
Parker-Hannifin Corporation	Proxy Access	B,F,N,P,T	Settled
Pfizer Inc.	Clawback Policy	B,F,N,P,T	Other)
Principal Financial Group, Inc.	Gender Pay Equity	B,F,N,P,T	Settled
Reliance Steel & Aluminum Co.	GHG Reduction Goals	B,F,N,P,T	Settled
Robert Half International Inc.	Proxy Access	B,F,N,P,T	Settled
Senior Housing Properties Trust	Proxy Access	B,F,N,P,T	Other
Signature Bank	Proxy Access	B,F,N,P,T	Settled
Six Flags Entertainment Corporation	Proxy Access	B,F,N,P,T	Settled
The Charles Schwab Corporation	EEO-1 Disclosure	B,N,P	35.83%
The Charles Schwab Corporation	Proxy Access	F,T	Settled
The Kroger Co.	Proxy Access	B,F,N,P,T	Settled
The Progressive Corporation	Gender Pay Equity	B,F,N,P,T	Settled
The TJX Companies, Inc.	Proxy Access	B,F,N,P,T	Settled
The Travelers Companies, Inc.	Gender Pay Equity	B,F,N,P,T	Settled
Tiffany & Co.	Proxy Access	B,F,N,P,T	Settled
TransDigm Group Incorporated	Proxy Access	B,F,N,P,T	Settled
United Continental Holdings, Inc.	Clawback Policy	B,F,N,P,T	Other)
United States Steel Corporation	GHG Reduction Goals	B,F,N,P,T	Settled
Universal Health Services, Inc.	Proxy Access	B,F,N,P,T	8.41%

[1]Indicates which NYC Funds filed 20187 proposal: B-BERS; F-Fire; N-NYCERS; P-Police; T-TRS

NYC Funds' Focus Companies Enacting Proxy Access, 2014 - 2018

The following is a comprehensive list of companies (and vote outcomes where relevant) that, in response to proposals from the NYC Funds, have enacted bylaws as of December 31, 2018 providing proxy access on reasonable terms to shareowners that have held at least three percent of outstanding shares for three years following receipt of a shareowner proposal from the NYC Funds. It excludes Chesapeake Energy, which agreed to enact proxy access in response to a proposal from the NYC Funds prior to the fall 2014 launch of the Boardroom Accountability Project.

Company	2015 Vote	2016 Vote	2017 Vote	2018 Vote	Enacted 3% Proxy Access Bylaw
3M Company		Settled			X
AbbVie Inc.		Settled			X
Abercrombie & Fitch Co.[1]	Settled		82.3%		X
ACI Worldwide, Inc.			Settled		X
Activision Blizzard, Inc.				Settled	X
AECOM				Settled	X
AES Corporation, The	66.4%	Settled			X
Albemarle Corporation			Settled		X
Alexandria Real Estate Equities, Inc.				Settled	X
Alexion Pharmaceuticals, Inc.	49.2%	Settled			X
Alliance Data Systems Corporation	55.7%	Settled			X
Alpha Natural Resources, Inc.	67.1%				Moot[2]
Ameren Corporation		Settled			X
American Airlines Group Inc.		Settled			X
American Axle & Manufacturing Holdings, Inc.				Settled	X
American Electric Power Co., Inc.	67.2%				X
American Tower Corporation		Settled			X
AMETEK, Inc.			Settled		X
Amgen Inc.		Settled			X

Company	2015 Vote	2016 Vote	2017 Vote	2018 Vote	Enacted 3% Proxy Access Bylaw
Anadarko Petroleum Corporation	59.4%				X
ANSYS, Inc.				Settled	X
Apache Corp.	92.7%				X
Apartment Investment and Management Co.	57.7%	Settled			X
Arch Coal Inc.	36.3%				Moot[2]
AvalonBay Communities Inc.	65.0%				X
Avon Products Inc.	75.7%	Settled			X
Baker Hughes Incorporated			Settled		Moot[2]
BB&T Corporation			Settled		X
Bed Bath & Beyond Inc.		61.6%			X
Big Lots Inc.	Settled				X
Boeing Company, The		Settled			X
C. R. Bard, Inc.			Settled		X
Cabot Oil & Gas Corporation	45.3%	45.5%			X
Caterpillar Inc.		Settled			X
CenterPoint Energy, Inc.			Settled		X
Cerner Corporation		Settled			X
CF Industries Holdings, Inc.	57.3%				X
Charles Schwab Corporation, The			61.3%	Settled	X
Charter Communications, Inc.				38.8%	
Cheniere Energy, Inc.	63.1%				X
Chevron Corporation	55.3%				X
Chipotle Mexican Grill, Inc.	49.9%	57.4%			X
Cimarex Energy Co.	56.2%				X
Cincinnati Financial Corporation				Settled	X

Company	2015 Vote	2016 Vote	2017 Vote	2018 Vote	Enacted 3% Proxy Access Bylaw
Citrix Systems, Inc.				Settled	X
Cloud Peak Energy Inc.	71.1%				X
CMS Energy Corporation		Settled			X
Colgate-Palmolive Company		Settled			X
Concho Resources Inc.				Settled	X
ConocoPhillips	54.3%				X
CONSOL Energy Inc.	47.0%	52.4%			X
Consolidated Edison, Inc.			Settled		X
Crown Castle International Corp.			86.6%	Settled	X
D.R. Horton, Inc.				Settled	X
DENTSPLY Sirona Inc.			Settled		X
Devon Energy Corporation	58.1%	Settled			X
Diebold Nixdorf, Incorporated			Settled		X
Dollar General Corporation			Settled		X
Dollar Tree, Inc.			Settled		X
Dominion Resources, Inc.		Settled			X
DTE Energy Company	61.7%				X
Duke Energy Corporation	62.7%	Settled			X
E. I. du Pont de Nemours and Company			Settled		Moot[2]
eBay Inc.	59.4%	Settled			X
Electronic Arts Inc.	55.0%	Settled			X
Entergy Corporation			Settled		X
Envision Healthcare Corporation				Settled	X
EOG Resources, Inc.	50.7%				X
EQT Corporation	66.3%				X

Company	2015 Vote	2016 Vote	2017 Vote	2018 Vote	Enacted 3% Proxy Access Bylaw
Equifax Inc.			Settled		X
Equity Residential	56.1%				X
Eversource Energy			Settled		X
Exelon Corporation	43.6%	Settled			X
Expeditors International of Washington Inc.	35.0%				X
Express Scripts Holding Company		Settled			X
Extra Space Storage Inc.				Settled	X
Exxon Mobil Corporation	49.4%	61.9%			X
Fidelity National Financial, Inc.	60.9%	Settled			X
Fidelity National Information Services, Inc.			Settled		X
FirstEnergy Corp.	71.4%	Settled			Pending[1]
FleetCor Technologies, Inc.	46.9%	62.3%			X
FMC Corporation			Settled		X
FMC Technologies, Inc.			Moot[2]		Moot[2]
Freeport-McMoRan Copper & Gold Inc.	64.9%	Settled			X
GameStop Corp.			Settled		X
Global Payments Inc.			Settled		X
Harris Corporation				Settled	X
Hasbro Inc.	68.6%				X
HCP, Inc.	55.5%	Settled			X
Helmerich & Payne, Inc.				Settled	X
Hess Corporation	51.1%				X
Home Depot, Inc., The		Settled			X
Honeywell International Inc.		Settled			X
Hospitality Properties Trust			84.8%	85.0%	

Company	2015 Vote	2016 Vote	2017 Vote	2018 Vote	Enacted 3% Proxy Access Bylaw
Humana Inc.			76.3%	Settled	X
Imperva, Inc.				Settled	X
Intel Corporation		Settled			X
Intercontinental Exchange, Inc.		Settled			X
International Business Machines Corporation		Other	59.4%	Settled	X
Johnson & Johnson		Settled			X
Kilroy Realty Corporation			Settled		X
Kinder Morgan, Inc.			58.6%		X
Kroger Co., The				Settled	X
Leggett & Platt, Incorporated			Settled		X
Leucadia National Corporation			Settled		X
Level 3 Communications, Inc.	43.6%				X
LKQ Corporation			Settled		X
M&T Bank Corporation				Settled	X
Macerich Company, The		Settled			X
Marathon Oil Corporation	62.7%				X
Marsh & McLennan Companies, Inc.			Settled		X
Martin Marietta Materials, Inc.			72.5%	Settled	X
Micron Technology, Inc.				Settled	X
Mid-America Apartment Communities, Inc.				Settled	X
Minerals Technologies Inc.			87.5%	Settled	X
Monster Beverage Corporation	41.9%	43.4%	40.7%	Settled	X
Murphy Oil Corporation	53.0%	Settled			X
Mylan, Inc.	Moot				Moot[2]
Nabors Industries Ltd.	67.0%	60.4%	54.1%		X[3]

Company	2015 Vote	2016 Vote	2017 Vote	2018 Vote	Enacted 3% Proxy Access Bylaw
National Oilwell Varco, Inc.			98.4%		X
NetApp, Inc.			92.3%	Settled	X
Netflix, Inc.	71.0%	71.8%	66.8%	57.9%	
NeuStar, Inc.			Moot[2]		Moot[2]
New York Community Bancorp Inc.	44.4%	67.1%	Settled		X
Newfield Exploration Company			Settled		X
NiSource Inc.		Settled			X
Noble Energy, Inc.	42.3%	38.4%			X
NRG Energy, Inc.		94.8%	Settled		X
NVR, Inc.	41.5%	Other			X
Occidental Petroleum Corporation	62.0%				X
ONEOK, Inc.			Settled		X
O'Reilly Automotive, Inc.		66.2%	Settled		X
PACCAR Inc.	42.0%	45.2%	49.6%	Settled	X
Palo Alto Networks, Inc.				Settled	X
Parker-Hannifin Corporation				Settled	X
Peabody Energy Corp.	48.7%	Settled			X
PepsiCo, Inc.		Settled			X
Pfizer Inc.		Settled			X
Phillips 66			Settled		X
Pinnacle West Capital Corporation			Settled		X
Pioneer Natural Resources Co.	49.4%				X
PPL Corporation[2]	61.4%	Settled			X
Praxair, Inc.		Settled			X
Precision Castparts Corp.	58.7%	Moot[1]			

Company	2015 Vote	2016 Vote	2017 Vote	2018 Vote	Enacted 3% Proxy Access Bylaw
Priceline Group Inc., The	53.7%				X
PulteGroup, Inc.			Settled		X
Range Resources Corporation	60.9%				X
Regeneron Pharmaceuticals, Inc.	28.0%				
Republic Services	89.9%				X
Robert Half International Inc.				Settled	X
Roper Technologies Inc.	67.6%	Settled			X
Ross Stores, Inc.			Settled		X
salesforce.com, inc.		Settled			X
SBA Communications Corp.	46.3%	67.6%	Settled		X
SCANA Corporation			Settled		X
Sealed Air Corporation			Settled		X
Senior Housing Properties Trust			78.7%	Other	
Signature Bank				Settled	X
Six Flags Entertainment Corporation				Settled	X
Skyworks Solutions, Inc.			Settled		X
SL Green Realty Corp.		Settled			X
Southern Company	46.2%	Settled			X
Southwestern Energy Co.	56.4%				X
Splunk, Inc.	Settled				X
Sprouts Farmers Market, Inc.			Settled		X
Staples, Inc.	Settled				X
Texas Instruments Incorporated			Settled		X
Textron Inc.			Settled		X
Tiffany & Co.				Settled	X

Company	2015 Vote	2016 Vote	2017 Vote	2018 Vote	Enacted 3% Proxy Access Bylaw
TJX Companies, Inc., The				Settled	X
Tractor Supply Company			Settled		X
TransDigm Group Incorporated				Settled	X
TRW Automotive Holdings Corp.	Moot				Moot[2]
U.S. Bancorp		Settled			X
Ultimate Software Group, Inc., The			Settled		X
Union Pacific Corporation		Settled			X
United Therapeutics Corporation	Settled				X
Universal Health Services		8.9%	8.3%	8.4%	
Unum Group		Settled			X
Urban Outfitters Inc.	40.6%	63.6%	Settled		X
VCA Inc.	45.9%	Other			Moot[2]
Ventas, Inc.			Settled		X
VEREIT	Settled				X
VeriFone Systems, Inc.			Settled		X
Vertex Pharmaceuticals Incorporated	58.4%	Settled			X
Visteon Corporation	75.7%	Settled			X
Vornado Realty Trust			Settled		X
W.W. Grainger, Inc.			Settled		X
Waters Corporation			89.4%		X
WebMD Health Corp.			Settled		X
WEC Energy Group, Inc.		74.7%			X
Wells Fargo & Company		Settled			X
Westmoreland Coal Co.	35.8%				X
Whiting Petroleum Corp.	Settled				X

Company	2015 Vote	2016 Vote	2017 Vote	2018 Vote	Enacted 3% Proxy Access Bylaw
Williams Companies, Inc., The			Settled		X
Xcel Energy Inc.		Settled			X
Xilinx, Inc.			Settled		X
Zoetis Inc.		Settled			X

[1]Abercrombie & Fitch board enacted proxy access after failing to obtain supermajority vote for management proposal in 2016.
[2]Bankrupty, acquisition, or inversion
[3]Nabors provides proxy access by policy, not bylaw

Acknowledgements

The Comptroller wishes to thank Michael Garland, Assistant Comptroller for Corporate Governance, and Responsible Investment, Millicent Budhai, Director of Corporate Governance, Michelle Folder-Taylor, Senior Investment Analyst, Amna Khan, Senior Investment Analyst, Emily Law, Senior Investment Analyst, and Andrew Elcock, Investment Analyst, for their authorship of this report and for their contributions to the important work highlighted in the report. The Comptroller also thanks Nicole Jacoby, First Deputy General Counsel, and Archer Hutchinson, Web Developer and Graphic Designer.

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