

## New York City Retirement Systems Welcome Bank Climate Disclosure Plans

By Katie Cerulle | Published 05/21/24 | Timetable N/A

### INVESTOR

#### New York City Employees' Retirement System


**Fund Size (m)**  
(As of 05/22/2024) USD 85,880.00 / GBP 67,574.68 / EUR 79,126.83

**Country** USA

#### General Contact

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#### Primary Contact

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**Job Title** Deputy Comptroller-Asset Management and Chief Investment Officer  
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**Social** 

[More \(if applicable\)](#)

**Website** [visit](#)

### SUMMARY OF INVESTMENTS

#### Breakdown

Actual allocation as of 11/30/2023: 10.96% Private Equity, 7.18% Real Estate Unspecified, 2.75% Infrastructure, 44.57% Equities Unspecified, 34.23% Fixed Income Unspecified, 0.31% Cash. Target allocation as of 11/15/2023: 10% Private Equity, 8% Real Estate Unspecified, 4.5% Infrastructure, 24.5% US Equities, 16.5% International Equities, 24.5% Core, 6.5% Fixed Income Unspecified, 5% High Yield Bonds, 0.5% Cash.

### INVESTMENT CONSULTANT

#### Callan

**Contact** Not disclosed

[More \(if applicable\)](#)

### MANAGER ROSTER

J.P. Morgan Asset Management (Property, Private Equity, Mortgages); Martin Currie Investment Management (Fund of Funds, International Equities); Baillie Gifford & Co. (Emerging Markets, International Equities); Permira (Private Equity); BlackRock (Emerging Markets, US Equities, Corporate Bonds, Domestic Bonds, Government Bonds, Infrastructure, Mortgages, TIPS); HarbourVest Partners (Private Equity); T. Rowe Price (Corporate Bonds, High Yield Bonds); Nordea Investment Management (Global Equities); State Street Global Advisors (International Equities, US Equities, Domestic Bonds, Government Bonds, International Bonds, TIPS); Legal & General Investment Management (US Equities); Oaktree Capital Management Ltd (High Yield Bonds); PanAgora Asset Management (US Equities); PIMCO (US Equities, Mortgages); Nomura Asset Management (High Yield Bonds); Marathon Asset Management (Hedge Funds); Morgan Stanley Investment Management (Global Equities); Dimensional Fund Advisors (Emerging Markets); Cinven (Private Equity); LaSalle Investment Management (Property); MacKay Shields (High Yield Bonds); Blackstone (Property, Private Equity); GoldenTree Asset Management (Fixed Income Unspecified); Acadian Asset Management (Emerging Markets, International Equities); Artemis Investment Management (Property); Apax Partners (Private Equity); William Blair & Company (US Equities); Grosvenor Capital Management (Property, Fixed Income Unspecified, Private Equity); Lexington Partners (Private Equity); Nordic Capital (Private Equity); CVC Capital Partners (Private Equity); Heitman Real Estate Investment Management (Property); Prologis (Property); Carlyle Group, The (Property, Private Equity); Bridgepoint Group (Private Equity); KKR (Kohlberg, Kravis, Roberts & Co) (Property, Infrastructure); BC Partners (Private Equity); Cerberus Capital Management (Property);

Warburg Pincus (Private Equity); Bain Capital (Loans); Mesirow Financial (Property); Intermediate Capital Group (ICG) (Fixed Income Unspecified); Sands Capital Management (Emerging Markets); Stone Harbor Investment Partners (High Yield Bonds); First Reserve Corporation (Private Equity); Lindsay Goldberg & Bessemer (Buyout); Olympus Partners (Private Equity); TJC (formerly The Jordan Company) (Private Equity); Fortress Investment Group (Fixed Income Unspecified); Pramerica Investment Management (Property); New Mountain Capital (Private Equity); Pzena Investment Management LLC (Emerging Markets, US Equities); AQR Capital (Emerging Markets); Brookfield Asset Management (Property); Eaton Vance Management (Emerging Markets, High Yield Bonds); Onex Partners (Private Equity); Platinum Equity (Private Equity); CarVal Investors (Fixed Income Unspecified); H/2 Capital Partners (Property); American Securities Capital Partners (Private Equity); TPG Angelo Gordon (Fixed Income Unspecified); USAA Real Estate Company (Property); Global Infrastructure Partners (Infrastructure); Aubrey Capital Management (Fund of Funds, International Equities); Actis (Infrastructure); Ares Management (Property, Fixed Income Unspecified, Private Equity); MFS Investment Management (US Equities); LM Capital Group (Core Plus); DRA Advisors (Property); Walton Street Capital (Property); Wellington Management (US Equities, Mortgages); Westfield Capital Management (US Equities); Avenue Capital Group (Distressed Debt); Levine Leichtman (Private Equity); Nautic Partners LLC (Private Equity); Palladium Equity Partners (Private Equity); Starvest Partners, L.P. (Private Equity); Thoma Bravo (Private Equity); Vista Equity Partners (Private Equity); Welsh, Carson, Anderson & Stowe (Private Equity); Earnest Partners (US Equities); Westbrook Partners (Property); Landmark Partners (Private Equity); Lone Star Funds (Property); Aisling Capital (Private Equity); Cypress Group (The) (Buyout); Fairview Capital (Private Equity); Freeman Spogli & Co. (Private Equity); Markstone Capital Group (Private Equity); Paladin Capital Group (Private Equity); INVESCO (Loans); Harrison Street (Property); MidOcean Partners (Private Equity); Causeway Capital Management (International Equities); Pine Brook Capital Partners, LLC (Private Equity); Capri Capital Partners, LLC (Property); Exeter Property Group (Property); Leading Edge Investment Advisors, LLC (Fund of Funds, International Equities); Legato Capital Management (US Equities); Redwood Investments, LLC (Fund of Funds, International Equities); Sherkman Capital (High Yield Bonds); Bivium Capital Partners (International Equities, US Equities, Fixed Income Unspecified, Emerging Manager); Divco West (Property); GI Partners (Private Equity); Advent Capital Management (Convertible Bonds); Deutsche Bank (Including Deutsche Asset & Wealth Management) (Property); Pugh Capital (Core Plus); Wells Fargo (Mortgages); Montreux Equity Partners (Private Equity); Yucaipa Companies (Private Equity); Cooke & Bieler (US Equities); Credit Suisse (Loans); FDG Associates (Private Equity); Avista Capital Partners (Private Equity); Centerbridge Partners (Private Equity); Catterton Partners (Private Equity); Crestview Partners (Private Equity); Quaker BioVentures (Venture Capital); Sprucegrove Investment Management (International Equities); Wellspring Capital Management (Private Equity); AFL-CIO HIT (Fixed Income Unspecified); GF Capital Management & Advisors, LLC (Private Equity); SCP Vitalife (Venture Capital); Leeds Equity (Private Equity); Black Diamond Capital (Private Equity); Wasatch Advisors, Inc. (US Equities); PRISA Group (Property); Victory Capital Management (US Equities, Convertible Bonds); Lisanti Capital Growth (Fund of Funds, US Equities); Ativo Capital Management (Fund of Funds, International Equities); Contrarian Capital Management, LLC (Hedge Funds); Pegasus Capital Advisors (Private Equity); Luxor Capital Group, LP (Hedge Funds); Lincolnshire Management (Private Equity); Blue Wolf Capital Management, LLC. (Private Equity); Constellation Growth Capital (Private Equity); FTV Management Co. (Private Equity); NGN Capital (Private Equity); RRE Ventures (Private Equity); Snow Phipps & Guggenheim (Private Equity); Thomas McNerney & Partners (Private Equity); Thor Equities (Property); Halyard Capital (Private Equity); RLJ Equity Partners (Private Equity); Clearlake Capital Group (Buyout); Valor Equity Partners (Private Equity); PineBridge Investments (Corporate Bonds, High Yield Bonds); Neuberger Berman (Corporate Bonds, High Yield Bonds); MetLife (Metropolitan Life Insurance Company) (Property); Essex Investment Management (Fund of Funds, US Equities); LBA Realty (Property); Green Equity Investors (Private Equity); NB Alternatives (Buyout); Smith Group Asset Management (Fund of Funds, International Equities); Oak Hill Advisors (Hedge Funds); Siris Capital Group (Buyout); TPG (Property); Jamestown Properties (Property); Clarion Partners (Property); Dean Investment Associates (Fund of Funds, US Equities); Nicholas Investment Partners (Fund of Funds, US Equities); Silverpeak (Property); Apollo Global Management (Property, Fixed Income Unspecified, Buyout); Bridge City Capital (Fund of Funds, US Equities); Almanac Realty Investors (Property); Stockbridge Capital Group (Property); Brightwood Capital (Fixed Income Unspecified, Private Debt); Foresight Group (Fund of Funds, International Equities); Fiera Capital (Global Equities); BentallGreenOak (Property); Torchlight Investors (Credit); Trilantic Capital Partners (Private Equity); Rialto Capital Management (Property); Osmosis Investment Management (Fund of Funds, International Equities); Dundas Global Investors (Fund of Funds, International Equities); Royal Bank of Canada (Emerging Markets); Tristan Capital Partners (Property); 400 Capital Management (Buyout); Ardian (Infrastructure); Vistria Group (Private Equity); Walter Scott & Partners (International Equities); One Rock Capital Partners (Private Equity); Raine Group (Private Equity); Voya (Corporate Bonds); FCO MA MI Advisors (Fixed Income Unspecified); Stellex Capital Partners (Private Equity); IFM Investors (Infrastructure); Gia Partners

(Core Plus); Belay Investment Group (Property); Barings (Loans); EQT Group (Infrastructure, Private Equity); HgCapital (Private Equity); ElmTree Funds (Property); Algert Global (International Equities); Reverence Capital Partners (Private Equity); Aermont (Property); Axiom Infrastructure (Infrastructure); Basalt Infrastructure Partners (Infrastructure); Change Global Investments (Fund of Funds, International Equities); Basis Investment Group (BIG) (Property); LightBay Capital (Private Equity); UBS (Property, Emerging Markets); AltraVue Capital (Fund of Funds, US Equities); Cortland Partners (Property); The Rise Fund (Private Equity); Infravia Capital Partners (Infrastructure); Global Alpha Capital Management (Fund of Funds, International Equities); ARGA Investment Management (Fund of Funds, International Equities); RVX Asset Management (Fund of Funds, International Equities); Insight Partners (Buyout); Solstein Capital (Fund of Funds, International Equities); Kennedy Lewis (Distressed Debt); Xponance (International Equities); Grain Communications (Private Equity); Ampersand Capital Partners (Private Equity); Blackcrane Capital (Fund of Funds, International Equities); Brookfield Infrastructure Partners (Infrastructure); Ballast Equity Management (Fund of Funds, US Equities); Promethos Capital (Fund of Funds, International Equities); Radin Capital Partners (Fund of Funds, International Equities); Henry James International Management (Fund of Funds, International Equities);

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## PREFACE

The \$85.9bn New York City Employees' Retirement System, the \$102.8bn New York City Teachers' Retirement System and the \$9.2bn New York City Board of Education Retirement System have endorsed new climate disclosure releases from JP Morgan Chase, Citi Bank and Royal Bank of Canada.

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## REPORT

Following engagement between the retirement systems and the three banks, JP Morgan Chase, Citi and RBC will now publicly disclose their ratio of clean energy supply financing to fossil fuel extraction financing, and their underlying methodology for calculating the ratio on a regular basis.

New York City Comptroller Brad Lander said the disclosures will allow investors to better measure bank's transition risks and opportunities, how well banks are living up to their net zero and sustainable finance commitments and the pace and scale of the energy transition.

"Despite their commitments to decarbonize, US and Canadian banks have financed over \$1tn of fossil fuel extraction since the Paris accord. The transition from financing fossil fuels to low-carbon energy is going far too slowly — and thus far, it hasn't even been possible for shareholders to track," Lander said.

"We appreciate JP Morgan, Citi and RBC agreeing to provide greater transparency so that long-term investors can more effectively measure how well they are or aren't living up to their commitments."

The systems submitted similar proposals to Bank of America, Morgan Stanley and Goldman Sachs. Bank of America and Goldman voted against the proposals at their respective board meetings at the end of April.

A representative from the fund said investment staff will go back to each pension board this summer to discuss priorities for next year and if the proposals will be refilled.

Morgan Stanley has its board meeting on May 23, where it will cast its vote on the proposal.

"It is disappointing to see Bank of America, Goldman Sachs and Morgan Stanley drag their feet rather than join their peers who clearly understand the importance of this disclosure to investors," Lander said.

"Given the urgency of the climate crisis and the need for a rapid transition, we are hopeful that they will take the necessary steps toward increasing transparency by providing investors with this decision-useful metric."

Elsewhere, the New York City Banking Commission added the Bank of Montreal, Flagstar Bank and KeyBank as designated depository banks for the city on [May 9](#).

Lander joined the commission in its unanimous vote to approve the Bank of Montreal and KeyBank; however, he split with the Department of Finance and New York City Mayor's Office by voting against Flagstar, citing the bank's "history of problematic practices and poor credit rating."

Despite Lander's vote, a spokesperson for the New York retirement systems confirmed they would still use Flagstar as a depository bank.

New York Community Bank subsidiary Flagstar was conditionally designated as a depository bank last year after acquiring \$38.4bn of the failed Signature Bank's assets in March 2023. Signature had previously been a designated depository for the city of New York.

The full list of designated banks prior to the May vote is available [here](#).

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