



**TRS PROXY EXECUTIVE SUMMARY**  
For the fiscal year ending June 30, 2022

**Introduction**

In accordance with the Board-approved proxy monitoring process, adopted May 17, 2002, TRS staff presents the executive summary of proxy data, as voted by TRS managers and TRS, for the fiscal year ending June 30, 2022. TRS began internally monitoring proxies voted by external managers in fiscal year 2002. TRS's external managers continue to vote proxies in accordance with their stated individual guidelines. TRS does occasionally vote proxies in-house for transitional or terminated accounts.

TRS staff identified over 500 proposal categories that could have appeared on the ballots in U.S. and international companies during FY22. Each proposal is categorized in one of the following: For, Against, Abstain/Split/Withhold, and Non-voting. All results are tracked internally on 105,251 issues that were voted upon in FY22.

The 2022 proxy season saw a record number of shareholder proposal submissions as ESG topics remain an important issue. The 2022 season also saw support for shareholder proposals trend downward but climate and human capital still showed strong support. Another trend was decreased support for director elections for various reasons including lack of board diversity, executive compensation issues and poor climate risk management disclosure.

Overall, TRS had an 8% decrease (8,212 votes) in the total number of voting items during FY22 due to manager terminations. The following pages outline selected proxy statistical data regarding TRS's U.S. and International equity accounts.

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## U.S. Equity Results

TRS staff monitored the following U.S. equity accounts during FY22.

### **FY22 Proxy Accounts Monitored (U.S. Equity)**

<u>Manager / Account</u>	<u>Account</u>	<u>Period</u>	<u>Asset Class</u>
Emerald	OMDM	7/1/21 through 6/30/22	U.S. Equity
JP Morgan US Growth	OMK6	4/1/22 through 6/30/22	U.S. Equity
LSV Large Cap	OMMU	7/1/21 through 3/31/22	U.S. Equity
Rhumblin Ex Sudan S&P 500	OMER	7/1/21 through 6/30/22	U.S. Equity
Rhumblin Russell 1000 Value	OMXM	7/1/21 through 6/30/22	U.S. Equity
Rhumblin Russell Mid Growth	OMZI	7/1/21 through 12/31/21	U.S. Equity
Rhumblin S&P1000 Smid	OMYQ	7/1/21 through 6/30/22	U.S. Equity
Rhumblin S&P500 Equal Weight	OMYP	7/1/21 through 6/30/22	U.S. Equity
Rhumblin Russell 1000 Growth	OMK1	1/1/22 through 3/31/22	U.S. Equity
Rhumblin S&P1000 Smid Value	OMK3	7/1/21 through 6/30/22	U.S. Equity
TRowe Price Large Growth	OMFA	7/1/21 through 9/30/21	U.S. Equity

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The following chart summarizes the U.S. proxy items for FY22 relative to FY21.

Type	Fiscal Year 2022--U.S. Managers/Accounts					Fiscal Year 2021--U.S. Managers/Accounts				
	Total # of Issues	# of Issues Voted FOR	# of Issues Voted AGAINST	# of Issues Voted ABST/SPLIT	# of Issues NOT VOTED	Total # of Issues	# of Issues Voted FOR	# of Issues Voted AGAINST	# of Issues Voted ABST/SPLIT	# of Issues NOT VOTED
AUDITORS / ROUTINE BUSINESS	3,690	3,561	92	0	37	4,225	4,092	115	0	18
CAPITALIZATION / CAPITAL STRUCTURE	280	265	15	0	0	286	270	16	0	0
NON-SALARY COMPENSATION EXECUTIVE AND DIRECTOR COMPENSATION	4,061	3,538	478	0	45	4,309	3,800	497	0	12
GOVERNANCE PROVISIONS	194	170	24	0	0	585	537	46	0	2
REORGANIZATION /RESTRUCTURE AND MERGERS	120	104	16	0	0	154	84	70	0	0
MUTUAL FUND PROXIES	230	222	6	0	2	191	181	6	0	4
PROXY CONTESTS / DEFENSIVES /ANTITAKEOVER/ TENDER	0	0	0	0	0	0	0	0	0	0
SOCIAL AND ENVIRONMENTAL ISSUES	410	394	8	0	8	370	343	21	0	6
STATE OF INCORPORATION	712	385	308	0	19	329	176	138	3	12
DIRECTORS RELATED / BOARD	0	0	0	0	0	0	0	0	0	0
<b>TOTALS</b>	<b>27,129</b>	<b>25,377</b>	<b>455</b>	<b>944</b>	<b>353</b>	<b>29,690</b>	<b>28,000</b>	<b>548</b>	<b>988</b>	<b>154</b>
<b>Variance Prior Year</b>	<b>(3,313)</b>	<b>(3,467)</b>	<b>(55)</b>	<b>(47)</b>	<b>256</b>					

U.S. accounts voted 36,826 items in FY22. These items were from 3,606 company meetings and represented 80 million shares of stock.

## International Equity Results

TRS staff monitored the following international equity accounts during FY22.

### **FY22 Proxy Accounts Monitored (International Equity)**

<u>Manager / Account</u>	<u>Fund</u>	<u>Period</u>	<u>Asset Class</u>
Acadian Large Cap	OMUA	7/1/21 through 6/30/22	Int'l. Equity
Acadian EM Small Cap	OMK4	7/1/21 through 6/30/22	Int'l Equity
AQR Emerging Markets	OMNX	7/1/20 through 6/30/22	Int'l. Equity
Arrowstreet	OMVR	7/1/20 through 6/30/22	Int'l. Equity
Axiom	OMRF	7/1/20 through 6/30/22	Int'l Equity
Causeway	OMYS	1/1/22 through 6/30/22	Int'l Equity
Grandeur Peak	OMXS	7/1/21 through 6/30/22	Int'l Equity
J.P. Morgan Emerging Markets	OMRZ	7/1/21 through 6/30/22	Int'l. Equity
LSV Large Cap	OMMU	7/1/21 through 6/30/22	Int'l. Equity
LSV Small Cap	OMXR	7/1/21 through 6/30/22	Int'l. Equity
Northern Trust	OMFZ	7/1/21 through 6/30/22	Int'l. Equity
Northern Trust Multi Factor	OMYR	7/1/21 through 6/30/22	Int'l Equity
Strategic Global Advisors	OMJV	7/1/21 through 6/30/22	Int'l. Equity
Strategic Global Advisors Small Cap	OMOG	7/1/21 through 6/30/22	Int'l. Equity
T Rowe Price Global Equity	OMZ1	4/1/22 through 6/30/22	Int'l Equity
Wasatch Small Cap	OMOX	7/1/21 through 6/30/22	Int'l. Equity
William Blair	OMK8	4/1/22 through 6/30/22	Int'l Equity

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The following chart summarizes the international proxy items for FY22 relative to FY21.

Type	Fiscal Year 2022--Int'l. Managers/Accounts					Fiscal Year 2021--Int'l. Managers/Accounts				
	Total # of Issues	# of Issues Voted FOR	# of Issues Voted AGAINST	# of Issues Voted ABST/SPLIT	# of Issues NOT VOTED	Total # of Issues	# of Issues Voted FOR	# of Issues Voted AGAINST	# of Issues Voted ABST/SPLIT	# of Issues NOT VOTED
AUDITORS / ROUTINE BUSINESS	16,977	15,385	921	50	621	17,194	15,844	1,007	29	314
CAPITALIZATION / CAPITAL STRUCTURE	5,835	5,001	735	6	93	7,941	6,780	1,080	18	63
NON-SALARY COMPENSATION	6,844	5,582	1,142	12	108	6,468	5,099	1,294	8	67
EXECUTIVE AND DIRECTOR COMPENSATION	11	8	3	0	0	3	0	3	0	0
GOVERNANCE PROVISIONS	86	20	60	6	0	87	19	61	7	0
REORGANIZATION / RESTRUCTURE AND MERGERS	2,669	2,291	345	2	31	3,108	2,698	394	2	14
MUTUAL FUND PROXIES	0	0	0	0	0	0	0	0	0	0
PROXY CONTESTS / DEFENSIVES /ANTITAKEOVER/ TENDER	282	248	34	0	0	310	270	36	0	4
SOCIAL AND ENVIRONMENTAL ISSUES	438	216	167	0	55	240	101	139	0	0
STATE OF INCORPORATION	0	0	0	0	0	0	0	0	0	0
DIRECTORS RELATED / BOARD	35,283	30,604	3,535	565	579	37,973	32,975	3,439	1,128	431
<b>TOTALS</b>	<b>68,425</b>	<b>59,355</b>	<b>6,942</b>	<b>641</b>	<b>1,487</b>	<b>73,324</b>	<b>63,786</b>	<b>7,453</b>	<b>1,192</b>	<b>893</b>
<b>Variance</b>	<b>(4,899)</b>	<b>(4,431)</b>	<b>(511)</b>	<b>(551)</b>	<b>594</b>					

International accounts voted 68,425 items in FY22. These items were from 5,982 company meetings.

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### **Shareholder versus Management Issues**

The next chart provides some additional information in terms of ballots and management versus shareholder proposals.

	<b><u>FY2022</u></b>			<b><u>FY2021</u></b>		
	<b><u>U.S. Accounts</u></b>	<b><u>Int'l. Accounts</u></b>	<b><u>Totals</u></b>	<b><u>U.S. Accounts</u></b>	<b><u>Int'l. Accounts</u></b>	<b><u>Totals</u></b>
Number of Ballots	3,606	5,982	9,588	3,908	7,026	10,934
Number of Issues	36,826	68,425	105,251	40,139	73,324	113,463
Shares Voted	80,101,286	NA	NA	90,020,310	NA	NA
Management Proposals	35,168	66,996	102,164	38,732	71,855	110,587
Shareholder Proposals	1,658	1,429	3,087	1,407	1,469	2,876
% voted With Management	94.1%	87.6%	90.0%	94.6%	87.5%	90.0%
% voted Against Management	5.9%	12.4%	10.0%	5.4%	12.5%	10.0%
% voted With Shareholders	54.8%	47.6%	51.5%	60.2%	64.5%	62.4%
% voted Against Shareholders	45.2%	52.4%	48.5%	39.8%	35.5%	37.6%

### **Summary**

TRS external equity managers voted 105,251 items during FY22, representing a decrease of 8,212 items from FY21. Most of the difference can be attributed to the termination of Dimensional Fund Advisors Emerging international account and the LSV Smid domestic accounts in FY22.

Managers generally vote ballots in conformance with their respective proxy voting statements or policies. TRS equity managers vote, maintain and make decisions on a substantial amount of proxy issues and data.