

THE CITY OF NEW YORK
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FOR IMMEDIATE RELEASE

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**MAYOR DE BLASIO, COMPTROLLER STRINGER, AND TRUSTEES
ANNOUNCE ESTIMATED \$4 BILLION DIVESTMENT FROM FOSSIL FUELS**

New York City's largest pension funds achieve first in the nation goal of divesting from fossil fuel reserve owners - expected to be one of the largest fossil fuel divestments in the world

NEW YORK—Mayor Bill de Blasio, Comptroller Scott M. Stringer, along with trustees of two of the City's pension funds, today announced these funds have voted to divest their portfolios of estimated \$4 billion from securities related to fossil fuel companies. The divestment, expected to be one of the largest in the world, will address the significant financial and environmental risks that these fossil fuel holdings pose to the funds and to our planet. In 2018, New York City became the first major city in the nation to commit to divesting major public pension funds from fossil fuel reserve companies. Since the initial announcement hundreds of other institutions, governments, and entities have joined this commitment. The City also partnered with C40 and London to engage other cities to pursue fossil fuel divestment.

“Fossil fuels are not only bad for our planet and our frontline communities, they are a bad investment,” said **Mayor Bill de Blasio**. “Our first-in-the-nation divestment is literally putting money where our mouth is when it comes to climate change. Divestment is a bold investment in our children and grandchildren, and our planet. I applaud the trustees, advocates and experts for their hard work, and I look forward to seeing more cities around the world join this call for change.”

"Climate change is the fight of our lives, and we must face it head on with everything we've got – for our planet, for our children, and for our retirees," said **New York City Comptroller Scott M. Stringer**. “Since we announced our first-in-the-nation divestment goal, the urgent environmental and financial risks of climate change have only grown more clear. New York City is leading the way forward because we know the future is on the side of clean energy – not big polluters. I'm proud of the trustees, advocates and investment experts who worked with us to ensure a fiscally prudent and environmentally responsible divestment process and a greener future for generations to come.”

The New York City Employees' Retirement System (NYCERS) and New York City Teachers' Retirement System (TRS) voted to approve divestments today and the New York City Board of Education Retirement System (BERS) is expected to move forward on a divestment vote imminently. Securities were identified based on demonstrated risk from fossil fuel reserves and business activity, and the trustees will continue to evaluate risk in their portfolios to determine additional actions as warranted. The names of companies and the final scope of the divestment will be released following the sale of all targeted securities, which will be completed in a prudent

manner to achieve best execution. The divestment is expected to be complete within the original five year timeline. The announcement by the Mayor, Comptroller, and Trustees follows an extensive and thorough fiduciary process to prudently assess the portfolio's exposure to fossil fuel stranded asset risk and industry decline and other financial risks stemming from climate change.

In January 2018, the trustees announced a goal to divest from fossil fuel reserve owners within five years, consistent with fiduciary duty. The Systems retained independent investment consultants who conducted investment analyses showing the risks posed by fossil fuel companies and the prudent nature of the divestment actions adopted by the Boards.

In September 2018, the Mayor and Comptroller also jointly announced a goal of doubling the pension funds' investments in climate solutions from 1% to 2%, or about \$4 billion within 3 years. Climate solutions include renewable energy, climate infrastructure, green real estate, and other investments that will help achieve the goals of the Paris Climate Agreement. The City is on track to achieve this goal.

Henry Garrido, Executive Director, District Council 37, AFSCME, AFL-CIO, said, "As NYCERS Trustee and Executive Director of District Council 37, New York City's largest municipal union, I am proud to vote today with Mayor de Blasio, Comptroller Stringer, and my fellow NYCERS Trustees in support of divestiture from fossil fuel stocks. District Council 37 has been an integral part of a very careful, thorough and deliberate process to identify the most prudent path to move NYCERS away from fossil fuel holdings, and invest in clean, renewable energy and the new technologies that we must embrace for our future. Our goal throughout was to proceed in a manner that protected NYCERS' assets and the retirement security of our many thousands of members. NYCERS voted today to embrace the future and a better life for us all."

Teamsters Local 237 President Gregory Floyd said, "After careful study and consideration of the NYCERS Board's recent draft proposal concerning divestment of fossil fuels from the NYCERS portfolio. We at Teamsters Local 237 have concluded that, under the current proposal, we can confidently support a vote to divest from fossil fuel holdings in the NYCERS portfolio, and most importantly do so without an adverse effect on the pension fund."

UFT President Michael Mulgrew said, "The world economy and our pension investments need to focus on the future, while fossil fuels are the energy sources of the past. After extensive study and consultation with outside experts, the TRS Board has determined that the best strategy for our members will be to divest in the next three years more than \$1.5 billion — the majority — of our fossil fuel holdings, and to do so in a way that will protect the financial strength of the overall fund."

Public Advocate Jumaane D. Williams said, "With today's NYCERS vote, we are at last achieving the goal set forward to divest from fossil fuel owners and advance a new commitment to green energy solutions. We have a responsibility in New York to pursue sustainable futures for both our pensions and our planet, and together with my appointee to the Board, I am proud to take this step for financial and environmental health and responsibility."

Brooklyn Borough President Eric Adams said, “I’m proud to cast my vote for a more sustainable portfolio and a healthier planet. Divesting from fossil fuels is a move that has been a long time coming, and it is a reflection of our pension trustees’ collective commitment to environmental responsibility.”

Queens Borough President Donovan Richards, Jr. said, “Climate change continues to impact us all, but that means New York City continues to be a leader in protecting our environment. Today’s vote adopting a plan to fully divest from fossil fuel companies is a step in the right direction. This is a smart long-term investment strategy on behalf of pension members, and hopefully other cities follow suit. I thank Mayor de Blasio and Comptroller Stringer for their work and the pension funds for their commitment and contribution to making the five boroughs greener.”

“Divesting from fossil fuels and investing in climate solutions will accelerate our economic recovery by creating good-paying jobs in clean energy, resilient infrastructure, and environmental justice,” said **Daniel Zarrilli, New York City’s Chief Climate Policy Advisor**. “Three years ago, New York City took the bold step of committing to divest itself from fossil fuels. After a rigorous process, today’s vote to approve the divestment plan represents real global leadership that will spur other cities and investors to step up to stop funding the cause of our climate crisis. Congratulations to the pension trustees for taking this bold and necessary action. This is how we secure a livable climate for the next generation and end the age of fossil fuels for good.”

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

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

New York City Employees’ Retirement System (NYCERS): New York City Comptroller Scott M. Stringer; Mayor Bill de Blasio’s Representative, John Adler (Chair); New York City Public Advocate Jumaane Williams; Borough Presidents: Gale Brewer (Manhattan), Donovan Richards (Queens), Eric Adams (Brooklyn), James Oddo (Staten Island), and Ruben Diaz, Jr. (Bronx); Henry Garrido, Executive Director, District Council 37, AFSCME; Tony Utano, President Transport Workers Union Local 100; Gregory Floyd, President, International Brotherhood of Teamsters, Local 237.

Teachers’ Retirement System (TRS): New York City Comptroller Scott M. Stringer; Mayor Bill de Blasio’s Appointee, John Adler; Chancellor’s Representative, Lindsey Oates, New York City Department of Education; Natalie Green Giles; and Debra Penny (Chair), Thomas Brown and David Kazansky, all of the United Federation of Teachers.

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