



Corporate Governance: Working for Beneficiaries

The SBA actively monitors issuers within its portfolios based on several risk metrics identified by the governance team. The SBA carries out several activities during the year as a way to add value for the participants and beneficiaries of the State of Florida. Outlined below are a few significant activities conducted by staff.

- Develop and implement proxy voting guidelines that improve the corporate governance structures of publicly traded companies in SBA portfolios
 - Proxy voting is a fundamental right for shareowners and is a fiduciary responsibility carried out by pension plan managers to ensure votes are in the best interest of fund participants and beneficiaries
- Annual reports of the SBA's corporate governance activities
 - Publish a comprehensive report which analyzes all of the SBA's proxy votes on corporate governance resolutions including highlighted votes and key capital markets events
- Provide full transparency of the SBA proxy voting guidelines and individual votes on our website
 - Real-time disclosure of company-level votes, once a vote has been cast
- Publicly support or oppose specific issues and provide regulatory and/or legislative commentary
 - When appropriate and in line with the SBA's corporate governance principles, actively respond to media inquiries and submit responses to individual regulatory proposals
- Engage individual company portfolio holdings on various corporate governance issues
 - Regularly, the SBA discusses proxy voting issues and general corporate governance topics directly with owned companies
- Coordinate active strategies with other large global shareowners and investor groups
 - The SBA routinely interacts with other shareowners and groups of institutional investors to stay abreast of issues involving specific companies and governance practices
- Pursue corporate governance reforms through securities litigation
 - The SBA may pursue corporate governance reforms within the scope of legal settlements of securities class action suits