

COHEN & STEERS INC  
Form DEF 14A  
March 22, 2018

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

SCHEDULE 14A  
(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT  
SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934 (Amendment No. )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under § 240.14a-12

Cohen & Steers, Inc.

(Name of Registrant as Specified in its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

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(2) Aggregate number of securities to which transaction applies:

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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March 22, 2018

Dear Fellow Shareholders:

It is our pleasure to invite you to the Cohen & Steers, Inc. 2018 Annual Meeting of Shareholders.

The company will hold the Annual Meeting on Thursday, May 3, 2018, beginning at 9:00 a.m. local time, at its corporate headquarters located at 280 Park Avenue, New York, New York 10017.

The accompanying materials include the notice of annual meeting, the proxy statement, and the 2017 annual report to shareholders, which includes the company's Annual Report on Form 10-K for the year ended December 31, 2017. The proxy statement describes the business that the company will conduct at the Annual Meeting and provides information about the company.

Your vote is very important. Whether or not you plan to attend the Annual Meeting, we ask you to please cast your vote. You may vote your shares by Internet, telephone, mail, or in person at the Annual Meeting.

We look forward to seeing you at the Annual Meeting.

Sincerely,

Martin Cohen Robert H. Steers  
Chairman Chief Executive Officer

280 Park Avenue, New York, NY 10017-1216 PHONE 212 832 3232

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March 22, 2018

NOTICE OF 2018 ANNUAL MEETING OF SHAREHOLDERS  
TO BE HELD ON MAY 3, 2018

Dear Shareholders:

Cohen & Steers, Inc. will hold its 2018 Annual Meeting of Shareholders at the company's corporate headquarters located at 280 Park Avenue, New York, New York 10017 on Thursday, May 3, 2018, beginning at 9:00 a.m. local time. At the Annual Meeting, the company will ask you to:

- (1) Elect as directors the seven nominees named in the proxy statement to serve until the next annual meeting of shareholders and until their successors are duly elected and qualified;
- (2) Ratify the appointment of Deloitte & Touche LLP as the company's independent registered public accounting firm for the current fiscal year ending December 31, 2018;
- (3) Approve, in a non-binding advisory vote, the compensation of the company's named executive officers; and
- (4) Consider any other business that is properly presented at the Annual Meeting.

As permitted under the "Notice and Access" rules adopted by the Securities and Exchange Commission, the company is primarily furnishing proxy materials to its shareholders by Internet rather than mailing paper copies of the materials to each shareholder. Therefore, most shareholders will receive a Notice of Internet Availability of Proxy Materials (the "Notice"). The Notice contains instructions about how to access the proxy materials by Internet, how to vote your shares, and how to request a paper or electronic copy of the proxy materials, if you so desire. The company believes electronic delivery should expedite the receipt of materials, significantly lower costs, and help conserve natural resources.

Whether you receive the Notice or paper copies of the proxy materials, the proxy statement, the annual report to shareholders, and any amendments to the foregoing that are required to be furnished to shareholders, will be available for review online by following the instructions contained in the Notice and proxy card. You also may view the proxy materials at <https://materials.proxyvote.com/19247A>.

The Board of Directors of Cohen & Steers, Inc. has fixed the close of business on March 8, 2018 as the record date for the determination of shareholders entitled to receive notice of, and to vote on, all matters presented at the Annual Meeting or any adjournments thereof. Your vote is very important. Whether or not you plan to attend the Annual Meeting, the company asks that you please cast your vote. You can vote your shares by Internet, telephone, mail, or in person at the Annual Meeting.

By Order of the Board of Directors,  
Francis C. Poli  
Corporate Secretary

280 Park Avenue, New York, NY 10017-1216 PHONE 212 832 3232

Cohen & Steers, Inc.  
280 Park Avenue  
New York, NY 10017

PROXY STATEMENT  
FOR THE 2018 ANNUAL MEETING OF SHAREHOLDERS

These proxy materials are being delivered in connection with the solicitation by the Board of Directors (the “Board”) of Cohen & Steers, Inc., a Delaware corporation (the “company” or “we”), of proxies to be voted at the company’s 2018 Annual Meeting of Shareholders (the “Annual Meeting”) and at any adjournment or postponement thereof.

You are invited to attend the Annual Meeting on Thursday, May 3, 2018, beginning at 9:00 a.m. local time. The Annual Meeting will be held at the company’s corporate headquarters located at 280 Park Avenue, New York, New York 10017. You may obtain directions to the Annual Meeting location by calling the company’s Corporate Secretary at (212) 832-3232.

We expect that the proxy materials and the Notice of Internet Availability of Proxy Materials (the “Notice”) will be mailed and/or made available to each shareholder eligible to vote on or about March 23, 2018.

Items to be Voted on at the Annual Meeting

The proposals to be voted on at the Annual Meeting are:

- Item 1: the election as directors of the seven nominees named in this proxy statement;
- Item 2: the ratification of the appointment of Deloitte & Touche LLP as the company’s independent registered public accounting firm for the current fiscal year ending December 31, 2018;
- Item 3: the approval, in a non-binding advisory vote, of the compensation of the company’s named executive officers; and
- Item 4: any other business that is properly presented at the Annual Meeting.

Board Recommendation

The Board recommends that you vote your shares:

- “FOR” each of the seven director nominees named in this proxy statement;
- “FOR” the ratification of the appointment of Deloitte & Touche LLP as the company’s independent registered public accounting firm for the current fiscal year ending December 31, 2018; and
- “FOR” the approval of the compensation of the company’s named executive officers.

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to be Held on May 3, 2018

Under rules adopted by the Securities and Exchange Commission (the “SEC”), the company is furnishing proxy materials to its shareholders primarily by Internet. We believe that this process should expedite shareholders’ receipt of the proxy materials, lower the costs of the Annual Meeting, and help conserve natural resources. On or about March 23, 2018, we expect to mail to most of our shareholders the Notice, which contains instructions about how to access and review the proxy materials, including this proxy statement and the company’s annual report to shareholders, on the Internet and instructions about how to vote by Internet, telephone, mail, or in person. The Notice also contains instructions about how to request a paper or electronic copy of the proxy materials. If you received the Notice by mail, you will not receive a paper copy of the proxy materials unless you request one. If you received a paper copy of the proxy materials, you can also view these materials by Internet by following the instructions contained in the Notice and proxy card. The proxy materials are available at [www.proxyvote.com](http://www.proxyvote.com) and <https://materials.proxyvote.com/19247A>.

Shareholders Entitled to Vote

Shareholders of record at the close of business on March 8, 2018 are entitled to vote at the Annual Meeting. As of March 8, 2018, 46,738,105 shares of the company’s common stock, par value \$0.01 per share, were outstanding. Holders of the company’s common stock are entitled to one vote per share.

#### How to Vote

Shareholders who hold their shares directly may vote as follows:

By mail: Shareholders can sign, date, and return their proxy cards by mail using the pre-addressed, postage-paid envelope that is provided.

OR

By Internet: Shareholders can vote at [www.proxyvote.com](http://www.proxyvote.com) 24 hours a day, seven days a week. Instructions are provided in the Notice and proxy card. The Internet voting system is a secure method of voting, and your vote will be recorded accurately. You will need the 16-digit Control Number included in the Notice and proxy card to vote online. If you vote by Internet, you may incur costs associated with Internet access, such as usage charges from Internet service providers and telephone companies.

OR

By telephone: Shareholders can vote by telephone by calling 1-800-690-6903. You will need the 16-digit Control Number included in the Notice and proxy card to vote by telephone.

OR

At the Annual Meeting: If you attend the Annual Meeting, you can vote in person by ballot, even if you have previously returned a proxy or otherwise voted.

If your shares are held indirectly through an account with a bank or broker, you will receive an instruction card and information about how to give voting instructions to your bank or broker.

#### Voting at the Annual Meeting

All proxies that have been properly signed and returned and not revoked will be voted in accordance with the instructions provided. If you sign and return your proxy but do not provide voting instructions, the shares represented by such proxy will be voted as recommended by the Board.

If your shares are held in the name of a bank, broker, or other holder of record, you must obtain a proxy, executed in your favor, from the holder of record to be able to vote at the Annual Meeting.

#### Voting on Other Matters

If you sign and return your proxy, and if any other matters are properly presented at the Annual Meeting for consideration, the persons named in the proxy will have the discretion to vote on those matters for you. As of the date that we filed this proxy statement, we were not aware of any other matters to be raised at the Annual Meeting.

#### Revocation of Proxies

You may revoke your proxy any time before voting is declared closed at the Annual Meeting. You may revoke your proxy by sending a signed proxy card with a later date before voting is declared closed or by voting in person at the Annual Meeting. You may also revoke your proxy by voting a new proxy, by telephone or Internet, or by providing written notice of revocation to the Corporate Secretary, Cohen & Steers, Inc., 280 Park Avenue, New York, New York 10017.

If your proxy is not properly revoked, we will vote your shares as indicated by your most recent valid proxy.

#### Required Vote

The presence, in person or by proxy, of the holders of a majority in voting power of the company's issued and outstanding common stock and entitled to vote at the Annual Meeting is necessary to constitute a quorum. Abstentions and "broker non-votes" are counted as present for purposes of determining a quorum. A broker non-vote occurs when a nominee holding shares for a beneficial owner does not have discretionary voting power for a proposal and has not received instructions from the beneficial owner. Under current New York Stock Exchange ("NYSE") rules, if you do not instruct your broker how to vote with respect to Items 1 or 3, your broker may not vote your shares with respect to such proposals. There cannot be any broker non-votes with respect to Item 2 because brokers have discretion under the NYSE rules to vote uninstructed shares on such proposals.

With respect to Item 1, in an uncontested election of directors, to be elected, a director nominee must receive a majority of the votes cast by holders of the company's common stock present in person or represented by proxy at the Annual

Meeting and entitled to vote on the election of directors (a “majority vote”). Abstentions and broker non-votes are not counted as votes “for” or “against” a director nominee and will have no effect on the outcome of the election. In a contested election of directors, to be elected, a director nominee must receive a plurality of the votes cast by holders of the company’s common stock present in person or represented by proxy at the Annual Meeting and entitled to vote on the election of directors. Under the company’s bylaws, a “contested election” is an election in which, as of the tenth day preceding the date the company first transmits the notice of meeting for such annual meeting to its shareholders or at any time thereafter, the number of nominees for director is greater than the number to be elected.

Each incumbent director standing for re-election at the Annual Meeting has agreed to resign, upon acceptance of such resignation by the Board, if such director does not receive a majority vote. The Board must accept or reject such resignation within 90 days following certification of the shareholder vote.

If a director’s resignation is not accepted by the Board, such director will continue to serve until the next annual meeting of shareholders and until such director’s successor is duly elected and qualified or until such director’s earlier death, resignation, or removal. If the Board accepts a director’s resignation, or if a nominee for director is not elected and the nominee is not an incumbent director, then the Board, in its sole discretion, may either (i) fill the resulting vacancy pursuant to the Company’s bylaws or (ii) decrease the size of the Board to eliminate the vacancy.

The affirmative vote of the holders of a majority in voting power of the company’s outstanding common stock present in person or represented by proxy at the Annual Meeting and entitled to vote on such matters is required to approve Item 2 (ratification of the company’s independent registered public accounting firm) and Item 3 (approval of the compensation of the company’s named executive officers). If you abstain from voting on Items 2 or 3, it will have the same effect as a vote against the proposal. Broker non-votes will have no effect on the outcome of Item 3. Items 2 and 3 are advisory in nature and are non-binding.

#### Cost of Proxy Solicitation

We will pay the expenses of soliciting proxies. Proxies may be solicited in person or by mail, telephone, facsimile, or other electronic transmission by our directors, officers, and employees, without additional compensation. We will reimburse brokers and other custodians, nominees, and fiduciaries that forward soliciting materials to beneficial owners of stock held of record by such entities.

#### List of Shareholders

A list of shareholders entitled to vote at the Annual Meeting will be available at the Annual Meeting and ten days prior to the Annual Meeting at the company’s corporate headquarters, between the hours of 8:45 a.m. and 4:30 p.m. local time, by written request to the Corporate Secretary, Cohen & Steers, Inc., 280 Park Avenue, New York, New York 10017. Requests may also be directed to the Corporate Secretary at (212) 832-3232.

#### Householding

In order to reduce printing and postage costs, we have undertaken an effort to deliver a single copy of the proxy materials to multiple shareholders of record sharing an address. This delivery method, called “householding,” will not be used if we receive contrary instructions from one or more of the shareholders sharing an address. If your household received a single copy of the proxy materials, we will promptly deliver a separate copy of these materials to any shareholder who sends a written request to the Corporate Secretary, Cohen & Steers, Inc., 280 Park Avenue, New York, New York 10017. Requests may also be directed to the Corporate Secretary at (212) 832-3232. If your household receives multiple copies of the proxy materials, and you wish to request delivery of a single copy, you may contact our Corporate Secretary as set forth above. Even if householding is used, a separate proxy card will be provided for each shareholder of record. Each proxy card should be signed, dated, and returned to the company.

#### Voting Results

Broadridge Financial Solutions, Inc. (“Broadridge”) will act as the company’s inspector of election and independent tabulating agent. We will publish the voting results in a Current Report on Form 8-K, which will be filed with the SEC within four business days of the Annual Meeting.

#### Confidentiality of Voting

We keep all proxies, ballots, and voting tabulations confidential. However, we permit Broadridge to examine these documents. We have instructed Broadridge to forward us any written comments included on a proxy card.

#### Annual Report

We make available free of charge on our website at [www.cohenandsteers.com](http://www.cohenandsteers.com), under the heading “Company–SEC Filings,” our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and any amendments thereto as soon as reasonably practicable after such material is electronically filed with, or furnished to, the SEC. In addition, we will provide free of charge to each shareholder upon written request a copy of our Annual Reports on Form 10-K (including our consolidated financial statements, schedules, and list of exhibits), Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and any amendments thereto. Requests for copies should be addressed to the Corporate Secretary, Cohen & Steers, Inc., 280 Park Avenue, New York, New York 10017. Requests may also be directed to the Corporate Secretary at (212) 832-3232. Copies may also be accessed electronically on the SEC’s website at [www.sec.gov](http://www.sec.gov). The company’s Annual Report on Form 10-K for the year ended December 31, 2017 and the company’s 2017 annual report to shareholders are not part of the proxy solicitation materials.



## ITEM ONE

## ELECTION OF DIRECTORS

The company's amended and restated certificate of incorporation and bylaws provide that the Board will consist of that number of directors as determined from time to time by resolution of the Board. The number of directors is currently fixed at seven. Acting upon the recommendation of the Nominating and Corporate Governance Committee (the "Nominating Committee"), the Board has nominated the seven individuals listed below for election as directors, to hold office until the next annual meeting of shareholders and the election and qualification of their successors. All such nominees are currently directors of the company.

The proxies solicited hereby, unless directed to the contrary therein, will be voted "FOR" the seven director nominees. All nominees have consented to being named in this proxy statement and to serve if elected. The Board has no reason to believe that any nominee will be unavailable or unable to serve as a director, but if for any reason any nominee should not be available or able to serve, the shares represented by all valid proxies will be voted by the person or persons acting under said proxy in accordance with the recommendation of the Board.

## Nominee Information

When considering director nominees, the Board and the Nominating Committee consider each nominee's experience, qualifications, attributes, and skills. In particular, with respect to Mr. Rhein, the Board considered his background in accounting matters, which includes specialization in the real estate sector, as well as his service on the board of directors of a publicly-traded real estate investment trust. With respect to Mr. Simon, the Board considered the broad perspective brought by his experience directing the research and analysis of companies across a wide range of industries. With respect to Mr. Villani, the Board considered his background in the investment management industry, including his experience as the chief executive officer of a large global investment management firm. With respect to Mr. Connor, the Board considered his experience in the investment banking industry where he advised companies across a wide range of industries as well as his current service as the chief financial officer of a publicly-traded company. With respect to Dr. Aggarwal, the Board considered her expertise relating to corporate governance, capital raising, global financial markets, and securities market regulation. With respect to Mr. Cohen and Mr. Steers, the Board considered their knowledge and many years of experience with the company, including their founding of the company.

Set forth below are the names of each director nominee, their ages and positions with the company, the years they became directors, and their biographical information.

| Name              | Age | Position                             |
|-------------------|-----|--------------------------------------|
| Martin Cohen      | 69  | Chairman and director                |
| Robert H. Steers  | 65  | Chief executive officer and director |
| Peter L. Rhein    | 76  | Director                             |
| Richard P. Simon  | 72  | Director                             |
| Edmond D. Villani | 71  | Director                             |
| Frank T. Connor   | 58  | Director                             |
| Reena Aggarwal    | 60  | Director                             |

Martin Cohen, a director since August 2004, is the chairman of the Board. Mr. Cohen served with Mr. Steers as the company's co-chief executive officer and co-chairman until 2014 and then served as executive chairman until his retirement from the company in February 2016. Prior to co-founding the firm in 1986 with Mr. Steers, Mr. Cohen was a senior vice president and portfolio manager at National Securities and Research Corporation from 1984 to 1986, where, in 1985, he and Mr. Steers organized and managed the nation's first real estate securities mutual fund. From 1976 to 1981, Mr. Cohen was a vice president at Citibank, where, in 1980, he organized and managed the Citibank Real Estate Stock Fund. Mr. Cohen is a former member of the board of governors of the National Association of Real

Estate Investment Trusts. Mr. Cohen has a BS degree from the City College of New York and an MBA degree from New York University.

Robert H. Steers, a director since August 2004, is the company's chief executive officer. Prior to co-founding the firm in 1986 with Mr. Cohen, Mr. Steers was a senior vice president and the chief investment officer of National Securities and Research Corporation from 1982 to 1986, where, in 1985, he and Mr. Cohen organized and managed the nation's first real estate securities mutual fund. From 1977 to 1982, Mr. Steers was a vice president at Citibank, serving as an analyst and portfolio manager of Citibank's Emerging Growth Stock Fund. Mr. Steers is a member of the Advisory Committee of the Staff Retirement Plan of the International Monetary Fund and a member of the Investment Committee, Georgetown University. Mr. Steers also serves as chairman of each of the company's U.S. registered open-end and closed-end funds. Mr. Steers has a BS degree from Georgetown University and an MBA degree from George Washington University.

Peter L. Rhein, a director since August 2004, has been a general partner of Sarlot and Rhein, a real estate investment partnership, since 1967, and a co-managing member of BBC Properties, LLC, a real estate investment company, since 2001. From 1970 until 1984, he was employed in various capacities by Wells Fargo Realty Advisors and its affiliates. From 1976 until 1984, he was vice president, treasurer, and chief financial officer of Wells Fargo Mortgage and Equity Trust, a real estate investment trust. Mr. Rhein also serves on the board of directors and is a member of the audit committee and compensation committee of HCP, Inc. Mr. Rhein has a BS degree in accounting from Claremont McKenna College and is a certified public accountant.

Richard P. Simon, a director since August 2004, retired from Goldman, Sachs & Co. in 2004. From 1978 until his retirement, he was employed in various capacities by Goldman Sachs, most recently as a managing director. Between 1990 and 2002, Mr. Simon coordinated the Goldman Sachs global media, publishing, advertising, broadcasting, and cable research and served as a managing director from 1996 until his retirement. Prior to retiring from Goldman Sachs, Mr. Simon mentored analysts and was deputy director of research. Mr. Simon has a BA degree in accounting from the University of Toledo and an MBA degree from New York University.

Edmond D. Villani, a director since August 2004, served as vice chairman of Deutsche Asset Management, North America until December 31, 2005. Between 1997 and 2002, he was the chief executive officer of Scudder, Stevens & Clark, Inc. and its successor entities. Mr. Villani is the former chairman of the board of Georgetown University and a former trustee of the Colonial Williamsburg Foundation, where he served as chair of the investment committee. Mr. Villani has a BA degree in mathematics from Georgetown University and a Ph.D. degree in economics from the University of Pennsylvania.

Frank T. Connor, a director since March 2014, is executive vice president and chief financial officer of Textron Inc. Prior to joining Textron in August 2009, Mr. Connor was a managing director and head of telecom investment banking at Goldman, Sachs & Co. from 2003 to 2008. Prior to that, he served as chief operating officer of telecom, technology, and media investment banking at Goldman Sachs from 1998 to 2003. Mr. Connor joined the corporate finance department at Goldman Sachs in 1986 and became a vice president in 1990 and a managing director in 1996. He currently serves as a director of FM Global, a Rhode Island-headquartered mutual insurance company. Mr. Connor has a BA degree in business from the University of Notre Dame and an MBA degree from the University of Chicago.

Reena Aggarwal, a director since November 2016, is the Vice Provost for Faculty at Georgetown University. In addition, she is the Robert E. McDonough Professor of Finance and the Director of the Georgetown Center for Financial Markets and Policy at Georgetown's McDonough School of Business. Dr. Aggarwal has been on the faculty of Georgetown University since 1986 and has held various positions. She has written extensively on corporate governance, capital raising, IPOs, institutional investors, private equity, valuation, global financial markets, and securities market regulation. She has received several research awards including the 2015 BlackRock-National Association of Corporate Directors Global Challenge for Innovation in Corporate Governance Award. Dr. Aggarwal also serves on the board of directors of IndexIQ. She received a Ph.D. in finance from the University of Maryland and a Master of Management Studies from BITS, India.

#### Recommendation of the Board

The Board recommends a vote "FOR" each of the seven director nominees.



## CORPORATE GOVERNANCE

We regularly monitor legal and regulatory developments and review our corporate governance policies, processes, and procedures to respond to any such developments.

### Corporate Governance Guidelines

The Board has adopted Corporate Governance Guidelines that address the following: (i) director qualification standards, including guidelines for determining independence; (ii) director responsibilities; (iii) director access to management and, as appropriate, independent advisors; (iv) director compensation; (v) director orientation and continuing education; (vi) management succession; and (vii) annual performance evaluations of the Board. The Corporate Governance Guidelines are available on the company's corporate website at [www.cohenandsteers.com](http://www.cohenandsteers.com) under "Company-Corporate Governance."

### Code of Business Conduct and Ethics

The Board has adopted a Code of Business Conduct and Ethics that applies to the company's directors, officers, and employees and addresses: (i) conflicts of interest; (ii) corporate opportunities; (iii) confidentiality of information; (iv) fair dealing; (v) protection and proper use of company assets; (vi) compliance with laws, rules, and regulations; and (vii) reporting illegal or unethical behavior. The Board has also adopted a Code of Ethics for Senior Financial Officers that is designed to promote honest and ethical conduct and compliance with applicable laws, particularly as it relates to the maintenance of the company's financial books and records and the preparation of its financial statements. The Code of Business Conduct and Ethics and the Code of Ethics for Senior Financial Officers are available on the company's corporate website at [www.cohenandsteers.com](http://www.cohenandsteers.com) under "Company-Corporate Governance." As required by applicable SEC rules and the NYSE listing standards, the company will promptly disclose any substantive changes in, or waivers of, the Code of Business Conduct and Ethics and the Code of Ethics for Senior Financial Officers granted to its executive officers, including its principal executive officer, principal financial officer, principal accounting officer, controller, or persons performing similar functions, and its directors by posting such information on the company's corporate website at [www.cohenandsteers.com](http://www.cohenandsteers.com) under "Company-Corporate Governance."

Shareholders are encouraged to visit the "Corporate Governance" section of the "Company" page of our corporate website at [www.cohenandsteers.com](http://www.cohenandsteers.com) for additional information about the Board and its committees and corporate governance at the company.

### Director Independence Determination

Under the NYSE listing standards, a director is not considered independent unless the Board affirmatively determines that such director does not have a "material relationship" with the company, either directly or as a partner, shareholder, or officer of an organization that has a relationship with us. In addition, the NYSE has adopted five bright-line independence tests. Each of these tests describes a specific set of circumstances that prohibit a director from being considered independent from the company's management. For example, a director who is an employee of the company, or whose immediate family member is an executive officer of the company, is not considered to be independent until three years following the end of the employment relationship. The other bright-line independence tests address circumstances involving: (i) the receipt of more than \$120,000 per year in direct compensation from the company, except for certain permitted payments such as director fees; (ii) employment by, or affiliations with, the company's current or former internal or external auditors; (iii) interlocking directorates; and (iv) certain business relationships involving companies that make payments to, or receive payments from, the company above specified annual thresholds. For more information about the NYSE's bright-line director independence tests, including the NYSE commentary explaining the application of the tests, please go to the NYSE's website at [www.nyse.com](http://www.nyse.com). The NYSE's director independence requirements are designed to increase the quality of board oversight at listed companies and to lessen the possibility of damaging conflicts of interest. However, the NYSE listing standards do not define every relationship that may be considered material for purposes of determining a director's independence from management. Material relationships may include commercial, industrial, banking, consulting, legal, accounting, charitable, and familial relationships, among others. As the concern is a director's independence from management, the NYSE does not consider the ownership of a significant amount of stock, by itself, to preclude an independence finding.



At its meeting on February 22, 2018, the Board made a determination on the independence of each director nominee. The Board determined that each of Messrs. Rhein, Simon, Villani, and Connor and Dr. Aggarwal do not have a material relationship with the company (either directly or as a partner, shareholder, or officer of an organization that has a relationship with us) and are independent under the NYSE listing standards and applicable SEC rules. The Board considered, but did not believe to be material, the fact that the company, through accounts over which we exercise investment discretion on behalf of our clients, has in the past owned shares of common stock of HCP, Inc., a company for which Mr. Rhein serves on the board of directors. In addition, the Board considered, but did not believe to be material, that some members of the Board are investors in certain funds that the company manages. Finally, the Board determined that each of Mr. Cohen and Mr. Steers are not independent. None of the directors participated in the determination of their own independence.

#### Director Nomination Process and Board Diversity

The company's Corporate Governance Guidelines contain director selection criteria that apply to director nominees. The Nominating Committee ensures that each director nominee satisfies at a minimum the criteria set forth in the Corporate Governance Guidelines. The minimum qualifications for serving as a director are that a candidate must possess strength of character and demonstrate mature judgment, independence of thought, and an ability to work collegially. Each director must be qualified and able to represent the interests of all of the company's shareholders. When identifying director nominees, the Nominating Committee seeks qualified and experienced candidates with backgrounds that support a balance of knowledge, experience, skills, expertise, and diversity appropriate for the Board as a whole. Prior to nominating a new director candidate, the Nominating Committee considers the collective experience of the existing Board members and considers and evaluates the background and qualifications of each director candidate and the extent to which such background and qualifications may benefit the company based on the size and composition of the Board at the time. Based on that evaluation, the Nominating Committee will nominate individuals who it believes will strengthen the Board's ability to serve the company's shareholders as a result of their experience and expertise.

The Board believes that diversity is an important component of a board of directors, including diversity of background, skills, experience, gender, race, and ethnicity. Although the company does not have a formal policy regarding director diversity, the Nominating Committee, guided by its charter and the Corporate Governance Guidelines, assesses and considers the diversity of the Board prior to nominating director candidates and seeks to identify and include director candidates who will enhance the Board's diversity. The Board selects candidates on the basis of qualifications and experience without discriminating on the basis of race, color, national origin, gender, sex, sexual preference, or religion. We believe the company's current Board members collectively possess diverse knowledge, expertise, and experience in the disciplines that impact our business.

When vacancies on the Board exist or are expected, or a need for a particular expertise has been identified, the Nominating Committee may seek recommendations for director candidates from current directors and management and may also engage a search firm to assist in identifying director candidates. The Nominating Committee will also consider properly submitted shareholder recommendations for director candidates under the same procedure used for considering director candidates recommended by current directors and management. Shareholder recommendations for director candidates should include the candidate's name and specific qualifications to serve on the Board, and the recommending shareholder should also submit evidence of such shareholder's ownership of shares of the company's common stock, including the number of shares owned and the length of time of such ownership. Recommendations should be addressed to the Corporate Secretary, Cohen & Steers, Inc., 280 Park Avenue, New York, New York 10017. When a potential director candidate has been identified, the Nominating Committee will review publicly available information about such candidate to assess whether the candidate warrants further consideration. If the Nominating Committee determines that a candidate warrants further consideration, the chairman of the Nominating Committee, or the chairman's designee, will contact the potential candidate. In general, if a potential candidate expresses a willingness to be considered and to serve on the Board, the Nominating Committee will request additional information from the candidate and review such candidate's experience and qualifications.

#### Board Oversight of Risk Management

The company operates in a highly regulated industry. The Board's role in managing the company's risk is one of informed oversight. The Board assists management in shaping the company's overall risk philosophy and works with

management to set the “tone at the top” such that prudent mitigation of risk is incorporated into business decision-

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making at the company. The company has developed compliance programs that are designed to monitor its risks and to detect and prevent any wrongdoing by employees. In addition, we have established an enterprise risk management committee that is responsible for developing an integrated approach and process for managing the company's risks. The Board is regularly informed about the most significant risks affecting the company and assesses the appropriateness of management's responses to such risks. As part of this assessment, the Board reviews the company's insurance coverage, including the type and level of coverage, material gaps, if any, and how the company's coverage compares to its peers.

Each committee of the Board is responsible for evaluating and providing oversight of certain risks. The Audit Committee plays a key role in oversight of the company's financial risk management function. On a regular basis, management discusses with the Audit Committee financial, legal, information security (including cybersecurity), and regulatory risks affecting the company as well as any related party transactions or material breaches of the company's codes of conduct. In addition, the Board periodically meets with members of the company's information technology department to assess information security risks (including cybersecurity risks) and to evaluate the status of the company's cybersecurity efforts, which include a broad range of tools and training initiatives that are designed to work together to protect the data and systems used in the company's business. The Compensation Committee is responsible for overseeing management of risks relating to the company's compensation practices and programs. The Nominating Committee manages risks associated with the independence and compensation of members of the Board as well as executive succession planning.

#### Board Leadership Structure

Mr. Cohen serves as the company's chairman, and Mr. Steers serves as the company's chief executive officer. The roles of chairman and chief executive officer have been separated since 2014. We believe this leadership structure is appropriate for the company and is in the best interests of its shareholders because it allows Mr. Cohen to focus on leading the Board while allowing Mr. Steers to focus on the day-to-day management of the company and execution of the company's strategic initiatives and business plan.

The Board does not currently have a lead independent director. Given the size of the Board, the Board and the Nominating Committee do not believe that there is currently a need for a lead independent director because of the majority independent composition of the Board, the strong leadership and contributions of the company's independent directors, and the effectiveness of the company's current corporate governance structures and processes. In addition, the Board and the Nominating Committee do not believe that Mr. Cohen's ability to provide effective oversight is impaired by his relationship to the company.

#### Executive Sessions

Executive sessions of the non-management directors are held in conjunction with each regularly scheduled Board meeting. The independent non-management directors hold at least one executive session per year excluding any non-independent directors. Mr. Cohen chairs the executive sessions attended by all non-management directors, and executive sessions of the independent directors only are chaired by one of the independent directors on a rotating basis.

#### Communications with the Board

Individuals may contact the Board, any committee of the Board, or any individual director or group of directors by mail or e-mail. Correspondence should be sent to c/o Cohen & Steers, Inc., 280 Park Avenue, New York, New York 10017 or emailed to [boardcommunications@cohenandsteers.com](mailto:boardcommunications@cohenandsteers.com).

A member of the the company's Legal Department will open all correspondence addressed to the Board, any committee of the Board, or any director to ensure correspondence is appropriately directed. All correspondence that is not an advertisement, promotion of a product or service, or patently offensive will promptly be sent to the addressee. If a complaint or concern involves accounting, internal accounting controls, or auditing matters, the correspondence will be directed to the chairman of the Audit Committee and handled in accordance with procedures established by the Audit Committee with respect to such matters.



## BOARD MEETINGS AND COMMITTEES

The Board has three standing committees: the Audit Committee, the Compensation Committee and the Nominating Committee. The current charters for each committee are available on the company's corporate website at [www.cohenandsteers.com](http://www.cohenandsteers.com) under the heading "Company—Corporate Governance."

### The Audit Committee

The Audit Committee is currently comprised of Messrs. Rhein (chairman), Simon, Villani, and Connor and Dr. Aggarwal, each of whom is independent, and satisfies the requirements of Rule 10A-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Rule 10A-3 establishes listing standards relating to audit committees with respect to: (i) the independence of audit committee members; (ii) the audit committee's responsibility to select and oversee the independent registered public accounting firm; (iii) procedures for handling complaints regarding our accounting practices; (iv) the authority of the audit committee to engage advisors; and (v) funding for the independent registered public accounting firm and any outside advisors engaged by the audit committee. The Board has determined that each of Messrs. Rhein and Connor and Dr. Aggarwal qualifies as an "audit committee financial expert" as defined by SEC rules and that each of Messrs. Rhein, Simon, Villani, and Connor and Dr. Aggarwal has accounting and related financial management expertise in accordance with the NYSE listing standards.

The Audit Committee's primary purpose is to assist the Board with its oversight of: (i) the integrity of the company's financial statements; (ii) the independent registered public accounting firm's qualifications and independence; (iii) the company's internal audit function; and (iv) the company's compliance with applicable legal and regulatory requirements. The Audit Committee also prepares the audit committee report as required by SEC rules to be included in the company's annual proxy statement.

The Audit Committee regularly holds separate sessions with the company's management, internal auditors, and independent registered public accounting firm.

### The Compensation Committee

The Compensation Committee is currently comprised of Messrs. Villani (chairman), Rhein, Simon, and Connor and Dr. Aggarwal, each of whom is independent under the NYSE listing standards and a "non-employee director" as defined in the applicable SEC rules.

The Compensation Committee is responsible for overseeing the company's compensation plans and programs and setting the compensation for certain executive officers of the company. The Compensation Committee has delegated authority (with certain limitations) to Mr. Steers to grant awards under the company's Amended and Restated Stock Incentive Plan to employees who are not Section 16 officers. For additional information on the Compensation Committee's responsibilities, see "Executive Compensation—Compensation Discussion and Analysis."

### Compensation Committee Interlocks and Insider Participation

None of the Compensation Committee's members is or has been an officer or employee of the company. None of the company's executive officers served as a director or a member of a compensation committee (or other committee serving an equivalent function) of any other entity, the executive officers of which served on the company's Board or as a member of the Compensation Committee during 2017.

### The Nominating Committee

The Nominating Committee is currently comprised of Messrs. Simon (chairman), Rhein, Villani, and Connor and Dr. Aggarwal, each of whom is independent under the NYSE listing standards. The Nominating Committee is responsible for: (i) assisting the Board in identifying qualified director candidates; (ii) recommending to the Board the director nominees to be elected at annual meetings of shareholders; (iii) recommending to the Board corporate governance guidelines applicable to the company; (iv) overseeing the Board's annual evaluation; and (v) recommending to the Board nominees for each committee of the Board.

### Meetings

The Board met six times in 2017. In 2017, the committees of the Board held the following number of meetings: Audit Committee – eight meetings; Compensation Committee – three meetings; and Nominating Committee – two meetings.

During 2017, each director attended at least 75% of the meetings of the Board and each committee on which such director served.

The Board believes that it is important for shareholders to have the opportunity to meet and talk to the independent directors. Therefore, the Board generally schedules a board meeting in conjunction with our annual meeting of shareholders and expects directors, absent valid reasons, to attend the annual meeting of shareholders. All of the members of the Board attended the 2017 annual meeting of shareholders.

#### Director Compensation

The Nominating Committee reviews and recommends to the Board the compensation of the company's non-management directors. The Nominating Committee generally reviews director compensation every two years to ensure that director compensation remains competitive. As part of this review, the Nominating Committee consults with McLagan Partners ("McLagan") to determine the reasonableness and adequacy of the company's non-management director compensation. Mr. Steers does not receive additional compensation for serving as a director.

At its August 3, 2017 meeting, based on advice from McLagan, the Nominating Committee determined that it was appropriate to increase the annual retainer paid to the non-management directors by \$15,000 from \$170,000 (\$70,000 of which was payable quarterly in cash and \$100,000 of which was payable quarterly in restricted stock units) to \$185,000 (\$85,000 of which is payable quarterly in cash and \$100,000 of which is payable quarterly in restricted stock units). The increase was effective beginning with the third quarter of 2017. Prior to August 3, 2017, Board compensation had not been increased since August 2014.

The restricted stock units are granted under the company's Amended and Restated Stock Incentive Plan and are 100% vested on the grant date and delivered on the third anniversary of the grant date. Dividends on the restricted stock units are paid in cash as and when dividends are paid by the company on its common stock. Any fractional shares are paid in cash.

The chairman of the Board receives an additional annual cash retainer of \$180,000. The chairman of the Audit Committee receives an additional annual cash retainer of \$15,000, the chairman of the Compensation Committee receives an additional annual cash retainer of \$7,500, and the chairman of the Nominating Committee receives an additional annual cash retainer of \$5,000. Each member of the Audit Committee (including the chairman) receives an additional annual cash retainer of \$15,000, each member of the Compensation Committee (including the chairman) receives an additional annual cash retainer of \$7,500, and each member of the Nominating Committee (including the chairman) receives an additional annual cash retainer of \$5,000.

Non-management directors are reimbursed for reasonable travel and related expenses associated with attendance at Board and committee meetings as well as reasonable expenses for continuing education programs related to their role as members of the Board.

Non-management directors are not paid additional fees for attending, either in person or telephonically, individual meetings of the Board or its committees. Compensation for participation in such meetings is included in the annual retainers as described above. Other than Mr. Cohen, non-management directors do not receive any fees or compensation from the company other than compensation for serving as a director.

The following table sets forth the compensation paid by the company to the non-management directors in 2017.  
2017 Director Compensation

| Name           | Fees<br>Earned or<br>Paid in<br>Cash<br>(\$) | Stock<br>Awards <sup>(1)</sup><br>(\$) | Option<br>Awards<br>(\$) | Non-Equity<br>Incentive Plan<br>Compensation<br>(\$) | Change in<br>Pension<br>Value and<br>Nonqualified<br>Deferred<br>Compensation<br>Earnings<br>(\$) | All Other<br>Compensation<br>(\$) | Total<br>(\$) |
|----------------|--|--|--------------------------|--|---|-----------------------------------|---------------|
| Martin Cohen   | 253,796                                      | 99,954 <sup>(2)</sup>                  | —                        | —  | —   | 66,726 <sup>(3)</sup>             | 420,476       |
| Peter Rhein    | 116,296                                      | 99,954 <sup>(2)</sup>                  | —                        | —  | —   | —                                 | 216,250       |
| Richard Simon  | 106,296                                      | 99,954 <sup>(2)</sup>                  | —                        | —  | —   | —                                 | 206,250       |
| Edmond Villani | 108,796                                      | 99,954 <sup>(2)</sup>                  | —                        | —  | —   | —                                 | 208,750       |
| Frank Connor   | 101,296                                      | 99,954 <sup>(2)</sup>                  | —                        | —  | —   | —                                 | 201,250       |
| Reena Aggarwal | 93,076                                       | 91,537 <sup>(2)</sup>                  | —                        | —  | —   | —                                 | 184,613       |

(1) The amounts in this column reflect the aggregate grant date fair value of restricted stock units granted during fiscal year ended December 31, 2017 computed using the average of the high and low stock price of shares of the company's common stock in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, Compensation—Stock Compensation ("ASC Topic 718").

(2) Includes 739 restricted stock units granted to Messrs. Cohen, Rhein, Simon, Villani, and Connor on January 3, 2017 having a grant date fair value of \$24,982 and 490 restricted stock units granted to Dr. Aggarwal on January 3, 2017 having a grant date fair value of \$16,565; 633 restricted stock units granted to Messrs. Cohen, Rhein, Simon, Villani, and Connor and Dr. Aggarwal on April 3, 2017 having a grant date fair value of \$24,988; 610 restricted stock units granted to Messrs. Cohen, Rhein, Simon, Villani, and Connor and Dr. Aggarwal on July 3, 2017 having a grant date fair value of \$24,987; and 633 restricted stock units granted to Messrs. Cohen, Rhein, Simon, Villani, and Connor and Dr. Aggarwal on October 2, 2017 having a grant date fair value of \$24,997. The restricted stock units were 100% vested on the grant date, and the underlying common stock will be delivered on the third anniversary of the grant date.

(3) The amount in this column reflects (i) \$53,729 in cash dividend equivalents accrued and paid on unvested restricted stock units in 2017 and (ii) \$12,997 representing the employer portion of continued coverage under the company's medical and dental plans paid by the company in fiscal 2017. In connection with Mr. Cohen's retirement, the company agreed to modify his then-outstanding unvested restricted stock units that would have otherwise been forfeited in accordance with their terms to provide that all such awards will remain outstanding and continue to vest on the applicable vesting dates, subject to his continued compliance with the restrictive covenants contained in his restricted stock unit award agreements, as amended. The company agreed that following his retirement, any dividends accrued on his unvested restricted stock units will be paid in cash on the applicable dividend payment dates. In addition, pursuant to the terms of Mr. Cohen's employment agreement with the company, in connection with his retirement he and his spouse and dependents are entitled to continued coverage under the company's medical plans in which he was participating at the time of his retirement for the remainder of his life, subject to payment by him of the same premiums he would have paid during such period of coverage if he were an active employee.

## OWNERSHIP OF COHEN &amp; STEERS COMMON STOCK

## Principal Shareholders

As of March 8, 2018, our chairman, Martin Cohen, and our chief executive officer, Robert Steers, each directly and indirectly owned approximately 23.14% and 25.41%, respectively, of the company's outstanding common stock. As long as Mr. Cohen and Mr. Steers continue to own a significant portion of the voting power of the company's common stock, together they will be able to significantly influence the election of members of the Board and the outcome of corporate actions requiring shareholder approval.

## Beneficial Ownership of Certain Shareholders, Directors, and Executive Officers

The following securities ownership table sets forth certain information with respect to the beneficial ownership of the company's common stock as of March 8, 2018 by: (i) each person who is known by the company to beneficially own more than 5% of the outstanding shares of the company's common stock; (ii) each director; (iii) each executive officer named in the Summary Compensation Table; and (iv) all of the company's executive officers and directors as a group. Except as otherwise noted, each person exercises sole voting power or investment power over the shares of common stock beneficially owned by such person. The number of shares of common stock shown as beneficially owned by each director and executive officer was determined in accordance with SEC rules, and the information is not necessarily indicative of beneficial ownership for any other purpose. Beneficial ownership includes any shares of common stock as to which a person has sole or shared voting power or investment power and any shares of common stock that such person has the right to acquire within 60 days of March 8, 2018 through the exercise of any option, warrant or right, or the delivery of shares of common stock underlying restricted stock units.

As of March 8, 2018, there were 46,738,105 shares of the company's common stock outstanding. This amount does not include shares of common stock underlying restricted stock units issued by the company to its employees.

| Name <sup>(†)</sup>  | Amount and<br>Nature of<br>Beneficial<br>Ownership of<br>Common Stock | Percent of<br>Common Stock<br>Outstanding | Amount of<br>Restricted Stock<br>Units Owned <sup>(1)</sup> |
|--|---|---|---|
| Baron Capital Group, Inc.                                    | 2,688,979 <sup>(2)</sup>  | 5.81%                                     | —   |
| Martin Cohen   | 10,814,801 <sup>(3)</sup>   | 23.14%                                    | 13,461  |
| Robert Steers  | 11,875,308 <sup>(4)</sup>   | 25.41%                                    | 171,294   |
| Peter Rhein  | 18,710  | *   | 8,089   |
| Richard Simon  | 28,468  | *   | 8,089   |
| Edmond Villani   | 27,468  | *   | 8,089   |
| Frank Connor   | 1,775   | *   | 8,089   |
| Reena Aggarwal   | —   | —   | 2,894   |
| Joseph Harvey  | 1,238,932   | 2.65%                                     | 161,599   |
| Adam Derechin  | 438,363   | *   | 54,432  |
| Matthew Stadler  | 136,612   | *   | 63,519  |
| Todd Glickson  | 7,416   | *   | 45,502  |
| All directors and executive officers as a group (12 persons) | 24,599,778  | 51.20%                                    | 597,869   |

The address for each director and executive officer is c/o Cohen & Steers, Inc., 280 Park Avenue, New York, New York 10017. Except as otherwise noted below and subject to applicable community property laws, each person has sole voting and investment power with respect to the shares listed and may, from time to time, hold shares in accounts that have a margin feature. The address for Baron Capital Group, Inc. is 767 Fifth Avenue, New York, New York.

\* The number of shares of common stock held by such person is less than 1% of the outstanding shares of such class of common stock.

Represents non-voting restricted stock units granted under the the company's Amended and Restated Stock (1) Incentive Plan. Additional information relating to awards of restricted stock units to the company's named executive officers under the



Amended and Restated Stock Incentive Plan appears in the Compensation Discussion and Analysis and the Summary Compensation Table.

(2) This information has been obtained from a Schedule 13G/A filed on February 14, 2018 by Baron Capital Group, Inc., BAMCO, Inc., Baron Capital Management, Inc., and Ronald Baron.

Includes 940,701 shares of common stock held by the Martin Cohen 1998 Family Trust, of which a member of Mr.

(3) Cohen's immediate family serves as trustee. Mr. Cohen disclaims beneficial ownership of the shares held by this trust.

Includes 950,920 shares of common stock held by the Robert H. Steers Family Trust, of which a member of Mr.

(4) Steers' immediate family serves as trustee, and 4,218,897 shares held by the Steers 2014 Descendants' Trust, of which members of Mr. Steers' immediate family serve as trustees. Mr. Steers disclaims beneficial ownership of the shares held by these trusts.

#### Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires the company's directors, officers, and persons who own more than ten percent of a registered class of the company's equity securities to file reports of holdings of, and transactions in, the company's common stock with the SEC. To the best of the company's knowledge, based solely on a review of copies of such reports filed with the SEC and representations from the company's officers and directors, the company believes that all persons subject to reporting filed the required reports on time in 2017.

## OTHER EXECUTIVE OFFICERS

In addition to Mr. Steers, the following individuals are currently executive officers of the company:

| Name               | Age | Position  |
|--------------------|-----|---|
| Joseph M. Harvey   | 54  | President   |
| Adam M. Derechin   | 53  | Executive vice president and chief operating officer                            |
| Matthew S. Stadler | 63  | Executive vice president and chief financial officer                            |
| Francis C. Poli    | 55  | Executive vice president, general counsel, and corporate secretary              |
| Todd Glickson      | 50  | Executive vice president and director of global marketing and product solutions |

Joseph M. Harvey, president, is responsible for the company's investment department and, together with our chief executive officer, the execution of the company's strategic initiatives and business plan. Prior to joining the company in 1992, he was a vice president with Robert A. Stanger Co., where for five years he was an analyst specializing in real estate, oil and gas, and related securities for the firm's research and consulting activities. Mr. Harvey also serves as a vice president and director of each of the company's U.S. registered open-end and closed-end funds. Mr. Harvey has a BSE degree from Princeton University.

Adam M. Derechin, CFA, executive vice president and chief operating officer, is responsible for the company's investment administration and systems departments. Prior to joining the company in 1993, he worked for the Bank of New England, where he supervised mutual fund accountants. Mr. Derechin also serves as chief executive officer and president of each of the company's U.S. registered open-end and closed-end funds and as a director of Cohen & Steers SICAV. Mr. Derechin has a BA degree from Brandeis University and an MBA degree from the University of Maryland.

Matthew S. Stadler, CPA, executive vice president and chief financial officer, oversees the company's accounting and finance department. Prior to joining the company in 2005, he served as a managing director at Lehman Brothers Inc. and chief financial officer of Neuberger Berman Inc., a Lehman Brothers company. He joined Neuberger Berman in 1999 and served as chief financial officer while the firm was an independent public company. Mr. Stadler served as a senior vice president and chief financial officer of National Discount Brokers Group from May 1999 until October 1999 and as a senior vice president and chief financial officer of Santander Investment Securities Inc. from August 1994 until April 1999. Mr. Stadler also serves as a director of Cohen & Steers Asia Limited, Cohen & Steers UK Limited, and Cohen & Steers Securities, LLC.

Francis C. Poli, executive vice president, general counsel, and corporate secretary, oversees the company's legal and compliance department. Prior to joining the company in 2007, Mr. Poli was managing director, chief legal officer and director of U.S. compliance for Allianz Global Investors. Prior to that, he served as vice president and assistant general counsel at J.P. Morgan & Co. and as an associate in the Securities Practice Group at Kelley Drye & Warren. Mr. Poli also serves as chief legal officer and secretary of each of the company's U.S. registered open-end and closed-end funds and as a director of Cohen & Steers Asia Limited, Cohen & Steers UK Limited, Cohen & Steers Securities, LLC, and Cohen & Steers SICAV. Mr. Poli has a BA degree from Boston College and a JD from Pace University School of Law.

Todd Glickson, executive vice president and director of global marketing and product solutions, oversees the company's marketing, communications, and product development initiatives. Prior to joining the company in 2014, Mr. Glickson was managing director of product development and strategy at Principal Global Investors from 2007 until 2014, where he helped lead the product development process. Prior to that, Mr. Glickson was head of product development and institutional marketing at Hartford Investment Management. Mr. Glickson also serves as a director of Cohen & Steers Funds ICAV. Mr. Glickson has a MA degree from the University of Kentucky and a BS degree from Carnegie Mellon University.

There are no family relationships between or among any of the company's directors and executive officers.

## EXECUTIVE COMPENSATION

### Compensation Discussion and Analysis

#### Overview

This section of the proxy statement describes how the company's named executive officers are compensated. For fiscal 2017, our named executive officers were Robert Steers, our chief executive officer, Joseph Harvey, our president, Matthew Stadler, our chief financial officer, Adam Derechin, our chief operating officer, and Todd Glickson, our director of global marketing and product solutions.

We rely on a highly qualified and experienced management team that is focused on achieving profitable and sustainable financial results, delivering strong investment performance, and expanding investment capabilities to include a range of high-quality, attractive products and services. The company's compensation programs are designed to reward its executives for achieving these objectives and for increasing shareholder value.

#### Compensation Objectives and Philosophy

The company's executive compensation program is designed to:

- Attract and retain high-caliber leadership;
- Link compensation to company and individual performance objectives; and
- Align our executives' interests with those of our shareholders.

In setting compensation, we believe that:

Compensation should be linked to performance. Compensation levels should reflect an executive's role in helping the company achieve its financial and strategic objectives as well as an executive's leadership skills and experience and individual performance. The company's weighting towards performance-based variable "at risk" compensation creates opportunities for higher incentive compensation if superior performance is achieved and lower incentive compensation if the company's performance objectives are not met.

Compensation levels should be competitive. On an annual basis, our Compensation Committee reviews compensation survey data provided by McLagan to ensure that the company's compensation programs are competitive. The survey data provides a comparison of the company's compensation levels relative to peers with whom the company competes for leadership talent.

Equity awards should constitute a significant percentage of total compensation. Restricted stock units constitute a significant percentage of our executive officers' total compensation. By awarding restricted stock units, the company seeks to provide its executive officers with long-term incentive award opportunities that are consistent with awards made by the company's peers and reflect their individual performance. In addition, the company believes that awards of restricted stock units further align our executives' interests with those of our shareholders, encourage our executives to develop and lead our business, and promote a commitment to the company's long-term success.

#### Compensation Setting Process

##### Compensation Consultant

The Compensation Committee has sole discretion to retain (and terminate) compensation consultant(s) to help evaluate the compensation paid to the company's executive officers. In 2017, the Compensation Committee retained McLagan, a leading compensation consulting and research firm, to advise it on matters relating to the compensation of the company's named executive officers and non-management directors.

Under SEC and NYSE rules, the Compensation Committee is required to perform an independence assessment prior to selecting any compensation consultant and must evaluate, at least annually, whether any work provided by such consultant raised any conflicts of interest. The Compensation Committee assessed McLagan's independence at its meeting on February 22, 2018 and determined that McLagan is independent and that McLagan's work did not raise any conflicts of interest.



In assessing McLagan's independence, the Compensation Committee considered the following factors:

• Other services provided by McLagan to the company;

• Aggregate fees paid by the company to McLagan and fees as a percentage of the total revenue of the consultant providing the services;

• McLagan's policies and procedures designed to prevent conflicts of interest;

• Any business or personal relationship between the consultant and any member of the Compensation Committee or any business or personal relationship between McLagan and any executive officer of the company; and

• Whether the consultant holds any shares of the company's stock.

#### Peer Data

The Compensation Committee reviews compensation data from public and private asset management companies. The Compensation Committee believes that this comparative data is useful and appropriate as a reference point in setting competitive compensation levels for the company's named executive officers because the company must compete with other asset management companies for executive talent and must attract and retain executive talent with industry-specific skills and experience.

For fiscal 2017, the Compensation Committee, with advice from McLagan, assessed market pay levels using the following peer groups.

14 public asset management companies, including:

|                          |                                   |
|--------------------------|-----------------------------------|
| AllianceBernstein L.P.   | Janus Henderson Group PLC         |
| Artisan Partners         | Legg Mason, Inc.                  |
| BlackRock, Inc.          | Manning & Napier                  |
| Eaton Vance Corp.        | Pzena Investment Management, Inc. |
| Franklin Resources, Inc. | T. Rowe Price Group, Inc.         |
| GAMCO Investors, Inc.    | Virtus Investment Partners, Inc.  |
| Invesco Ltd.             | Waddell & Reed Financial, Inc.    |

39 asset management companies with similar assets under management, including:

|  |  |
|--|--|
| Aberdeen Asset Management, Inc.              | Harding Loevner Management L.P.        |
| Acadian Asset Management, LLC                | Heitman LLC                            |
| Allianz Global Investors                     | Income Research & Management           |
| American Beacon Advisors                     | Insight Investment, LLC                |
| AMG Funds, LLC                               | INTECH Investment Management, LLC      |
| APG Investments US, Inc.                     | Logan Circle Partners, L.P.            |
| Arrowstreet Capital, L.P.                    | Orbis Investment Management Limited    |
| Baillie Gifford & Co.                        | PanAgora Asset Management, Inc.        |
| BMGI   | Pioneer Asset Management, Inc.         |
| BNP Paribas Investment Partners              | ProShare Advisors, LLC                 |
| The Boston Company Asset Management, LLC     | RidgeWorth Capital Management, LLC     |
| Brandywine Global Investment Management, LLC | Sands Capital Management, LLC          |
| Brown Advisory                               | Schroder Investment Management Limited |
| Brown Brothers Harriman & Co.                | Thornburg Investment Management, Inc.  |
| Causeway Capital Management, LLC             | Van Eck Associates Corporation         |
| Conning Holdings Limited                     | Vontobel Asset Management, Inc.        |
| Epoch Investment Partners, Inc.              | Westwood Holdings Group, Inc.          |
| Glenmede Trust Company                       | William Blair & Company, LLC           |
| Grantham, Mayo, Van Otterloo & Co. LLC       | WisdomTree Investments, Inc.           |
| HarbourVest Partners, LLC                    |  |



### Role of Management

The company's senior management, under the leadership of its chief executive officer, plays an important role in designing and administering the company's compensation programs. Senior management's role includes recommending compensation plans and programs to the Compensation Committee, implementing the Compensation Committee's decisions with respect to such plans and programs, and assisting and supporting the Compensation Committee in carrying out its duties.

Our chief executive officer attends select portions of Compensation Committee meetings and makes recommendations to the Compensation Committee about appropriate compensation levels for the other named executive officers based on his assessment of each officer's individual performance.

### Risk Considerations

The Compensation Committee has discussed risk as it relates to the company's compensation programs with management and McLagan, and the Compensation Committee does not believe that the company's compensation programs encourage excessive or inappropriate risk taking. By utilizing a balanced approach to total compensation, whereby a significant percentage of each named executive officer's total compensation is awarded in restricted stock units and is based on company and individual performance, we seek to align the interests of our named executive officers with the interests of our shareholders.

### Say-on-Pay

In determining executive compensation for 2017, the Compensation Committee considered the voting results of the company's most recent shareholder "say-on-pay" vote. A substantial majority of the company's shareholders (92.13% of the votes cast) approved the compensation of the company's named executive officers as described in the company's 2017 proxy statement. Based on this level of support, the Compensation Committee determined that shareholders generally support the company's compensation practices. Accordingly, our approach to executive compensation for 2017 remained consistent with past practice. The Compensation Committee intends to continue to consider the views of our shareholders when designing, reviewing, and administering the company's compensation programs.

At the company's 2017 Annual Meeting of Shareholders, a substantial majority of its shareholders (96.3% of the votes cast) voted for "say-on-pay" proposals to occur once every year. In light of this vote, and consistent with the company's recommendation, the Board determined that it currently intends to include a say-on-pay vote once every year until the next required vote on the frequency of shareholder votes on named executive officer compensation. Accordingly, we are holding the next annual "say-on-pay" vote at this Annual Meeting. We currently expect the next advisory vote on the frequency of shareholder votes on named executive officer compensation to occur at the company's 2023 Annual Meeting of Shareholders.

### Elements of Executive Compensation

Our named executive officers' compensation consists of base salary and annual incentive performance compensation, which is comprised of cash and long-term incentive grants.

#### Base Salary

Base salaries are set at levels that are competitive with similar positions at comparable asset management companies. Consistent with industry practice and the company's pay-for-performance philosophy, the Compensation Committee sets base salaries for the company's named executive officers at levels that constitute a low percentage of their total compensation.

#### Annual Incentive Performance Bonus

The company awards annual incentive performance bonuses to its named executive officers under the company's Amended and Restated Annual Incentive Plan. Annual incentive performance bonuses are designed to link executive compensation to individual performance, company performance, and long-term increases in shareholder value.

Consistent with the company's pay-for-performance philosophy, incentive performance bonuses represent the largest portion of our named executive officers' total compensation.

At the beginning of each fiscal year, the Compensation Committee, with input from management, sets the company's performance objectives, which may be based on the company's net revenues, income, assets under management, net

flows, investment performance, and other factors as determined by the Compensation Committee. For fiscal years prior to 2018, the Compensation Committee also determined the maximum annual incentive performance bonus for each named executive officer, which was expressed as a percentage of the company's adjusted pre-tax profit. Adjusted pre-tax profit is the company's pre-incentive and pre-tax income, excluding extraordinary items, if any. The maximum annual incentive performance bonus set for each named executive officer was set as a cap on the amount of compensation that could be paid while maintaining the tax deductibility of the bonus as "performance-based compensation" for purposes of Section 162(m) of the Internal Revenue Code. For 2017 and prior years, the annual incentive performance bonuses actually paid to the company's named executive officers has been less than the maximum percentages set by the Compensation Committee. The Compensation Committee believes that the company's bonus structure for fiscal years prior to 2018 was in our shareholders' best interests because it provided for the deductibility of performance-based compensation while allowing the Compensation Committee to appropriately compensate our named executive officers based on company and individual performance. For fiscal years commencing with 2018, the "performance-based compensation" exception to the deductibility cap under Section 162(m) is no longer available due to recent amendments to Section 162(m). Accordingly, the Compensation Committee anticipates that for fiscal 2018 and future years it will continue to structure bonus opportunities based on performance objectives consistent with past practice but without the separate establishment of the adjusted pre-tax profit maximum bonus, which had been intended to address Section 162(m) deductibility for prior fiscal years.

At the end of each fiscal year, the Compensation Committee determines the annual incentive performance bonus amounts that will actually be paid to each named executive officer. In determining this, the Compensation Committee does not rely on predetermined formulas, weighted factors, specific benchmark percentiles, or other specific and potentially limiting criteria. Rather, the Compensation Committee considers:

- the overall performance of the company compared to the performance objectives established at the beginning of the fiscal year and new performance objectives established during the year, if any;
- the company's financial results relative to its peers;
- each named executive officer's individual performance;
- peer compensation data provided by McLagan;
- historical compensation levels for each named executive officer; and
- other factors that the Compensation Committee deems relevant.

In addition, the Compensation Committee considers recommendations from the company's chief executive officer in determining annual incentive performance bonuses for each named executive officer other than himself.

Annual incentive performance bonuses are generally paid in January of the year following the fiscal year in which they are earned and are generally comprised of cash and restricted stock units. The Compensation Committee retains the discretion to adjust the cash and equity components of annual incentive performance bonuses from year to year as it deems appropriate.

#### Long-Term Equity Incentives

**Annual RSU Awards.** As part of their annual incentive performance bonuses, the company's named executive officers receive restricted stock units awarded under the company's Amended and Restated Stock Incentive Plan. The restricted stock units generally vest ratably over four years and any dividends paid by the company on its common stock are reflected in additional restricted stock units. All accrued dividends vest in a single installment on the last anniversary of the original grant date.

**Mandatory Stock Bonus Program.** To retain our named executive officers and promote stock ownership, we mandatorily defer a significant portion of their annual incentive performance bonuses into restricted stock units as required by our Mandatory Stock Bonus Program. Any dividends paid by the company on its common stock are reflected in additional restricted stock units on such deferred amounts. The restricted stock units vest ratably over four years, and all accrued dividends vest in a single installment on the fourth anniversary of the grant date. For the amounts mandatorily deferred for each named executive officer, see the tables contained on pages 21 and 22 of this proxy statement.



## 2017 Executive Compensation

The primary drivers for determining named executive officer compensation were the overall performance of the company for fiscal 2017 and a consideration of each named executive officer's individual performance and accomplishments.

### 2017 Company Performance:

**Revenue.** The company had revenues of \$378.2 million, which represented an 8% increase from 2016.

**Operating income.** Our operating income increased 14% to \$154.7 million, with a margin of 40.9%.

**Assets under management.** Assets under management (AUM) totaled \$62.1 billion, a 9% increase from 2016. Our organic growth in AUM was 7%.

### Chief Executive Officer

For fiscal 2017, the Compensation Committee set Mr. Steers' base salary at \$750,000, an amount that has remained unchanged since 2008. The Compensation Committee believes that Mr. Steers' base salary is reasonable and competitive in light of his responsibilities, performance, and experience.

On February 23, 2017, the Compensation Committee met and set the 2017 performance objectives for the company and for Mr. Steers. At that meeting, the Compensation Committee determined that the maximum annual incentive performance bonus payable to Mr. Steers would be no more than 7.0% of the company's 2017 adjusted pre-tax profit, subject to the \$10 million individual maximum payment amount set forth in the company's Amended and Restated Annual Incentive Plan. In setting this cap, the Compensation Committee expected that the annual incentive performance bonus actually paid to Mr. Steers for fiscal 2017 would be less than the cap.

On December 20, 2017, the Compensation Committee met to determine Mr. Steers' 2017 annual incentive performance bonus. As part of this process, the Compensation Committee considered the company's performance and Mr. Steers' individual performance and contributions in providing strategic direction to all aspects of the company's business. In addition to the company's financial results noted above, Mr. Steers' key accomplishments included, but were not limited to, the following:

• Continued to deliver strong investment performance for the company's core strategies.

• Continued to enhance the company's real assets brand through marketing and education initiatives.

• Continued to build the company's product offerings by launching new commodities and preferred securities funds on the company's European fund platforms.

• Continued to expand the company's strategy offerings to include real assets debt, balanced real assets, and global logistics strategies.

Based on its assessment of the company's performance and Mr. Steers' performance, the Compensation Committee increased Mr. Steers' annual incentive performance bonus for fiscal 2017 by approximately 8%, recognizing the company's strong performance as well as Mr. Steers' performance and contributions to the company's performance. Approximately 63% of Mr. Steers' total compensation was deferred and paid in restricted stock units, and approximately 82% of his total compensation was variable incentive compensation.

The following table sets forth total compensation approved by the Compensation Committee for Mr. Steers for the 2017 performance year. The amounts disclosed are presented in a format that differs from the amounts required to be disclosed by SEC regulations in the Summary Compensation Table. Total compensation for 2016 and 2015 are included for comparative purposes.

| Name          | Performance Year | Annual Base Salary (\$) | Annual Incentive Performance Bonus |                             |                | Total Compensation (\$) |
|---------------|------------------|-------------------------|------------------------------------|-----------------------------|----------------|-------------------------|
|               |                  |                         | Cash (\$)                          | Mandatory RSU Deferral (\$) | RSU Award (\$) |                         |
| Robert Steers | 2017             | 750,000                 | 736,313                            | 2,208,937                   | 405,000        | 4,100,250               |
|               | 2016             | 750,000                 | 673,750                            | 2,021,250                   | 405,000        | 3,850,000               |
|               | 2015             | 750,000                 | 486,250                            | 1,458,750                   | 405,000        | 3,100,000               |

The restricted stock unit amounts included in the table above for the 2017 performance year were granted in January 2018, and therefore are not reflected in the Summary Compensation Table or the 2017 Grants of Plan-Based Awards table.

#### Other Named Executive Officers

After a review of competitive pay levels, the Compensation Committee decided to increase Messrs. Stadler's, Glickson's, and Derechin's base salaries from \$350,000 in fiscal 2016 to \$375,000 in fiscal 2017. For fiscal 2017, the Compensation Committee decided not to increase Mr. Harvey's base salary.

On February 23, 2017, the Compensation Committee met and set the 2017 objectives for the company and Messrs. Harvey, Stadler, Glickson, and Derechin. At that meeting, the Compensation Committee determined that the maximum annual incentive performance bonuses payable to Messrs. Harvey, Stadler, Glickson, and Derechin would be no more than 5.5%, 2.5%, 2.5%, and 2.5%, respectively, of the company's 2017 adjusted pre-tax profit, subject to the \$10 million individual maximum payment amount set forth in the company's Amended and Restated Annual Incentive Plan. In setting these caps, the Compensation Committee expected that the annual incentive performance bonuses actually paid to Messrs. Harvey, Stadler, Glickson, and Derechin for fiscal 2017 would be less than their respective caps.

On December 20, 2017, the Compensation Committee met and determined the 2017 annual incentive performance bonuses for Messrs. Harvey, Stadler, Glickson, and Derechin. In determining their awards, the Compensation Committee considered the following:

• The company's financial performance for fiscal 2017;

• Each named executive officer's individual performance; and

• Mr. Steers' recommendations and assessments relative to individual and functional area contributions to the company's overall results for the year.

Described below are the individual contributions the Compensation Committee considered for Messrs. Harvey, Stadler, Glickson, and Derechin, respectively.

**Joseph Harvey.** As president, Mr. Harvey is responsible for the company's investment department and, together with our chief executive officer, the execution of the company's strategic initiatives and business plan. In 2017, this included partnering with our chief executive officer to continue to enhance the company's real assets brand, to deliver strong investment performance, and to expand the company's product and strategy offerings and distribution channels. In addition, under Mr. Harvey's leadership, the company strengthened its investment processes and delivered strong investment performance through innovation, collaboration, and execution among its investment personnel.

**Matthew Stadler.** As chief financial officer, Mr. Stadler provides critical leadership in all areas of financial management of the company. In 2017, he continued to enhance the company's financial reporting and to manage the company's corporate cash, which provided additional liquidity and support for the company's operational needs. In addition, Mr. Stadler continued to strengthen the company's investor relations by expanding the company's sell-side coverage and increasing investor exposure.

**Todd Glickson.** As director of global marketing and product solutions, Mr. Glickson oversees the company's marketing, communications, and product development initiatives. In 2017, he helped launch several new products for the company's real assets and preferred securities strategies and expand awareness of the company's brand in the U.S. and European marketplaces. In addition, Mr. Glickson conducted a comprehensive review and realignment of the company's existing product offerings to ensure that they are competitively positioned, which is critical to their long-term success.





Adam Derechin. As chief operating officer, Mr. Derechin is responsible for the company's investment administration and systems departments, including the company's information technology department. In 2017, he continued to oversee the enhancement of the company's information technology infrastructure and security systems and continued to help reduce the company's operational risk. In addition, Mr. Derechin contributed to the company's expense reduction efforts, primarily in the areas of information technology and office management.

Based on its assessment, the Compensation Committee increased the 2017 annual incentive performance bonuses for Messrs. Harvey, Stadler, Glickson, and Derechin by approximately 8%, 7%, 20%, and 6%, respectively, recognizing the company's strong performance and each named executive officer's individual performance, and with respect to Mr. Harvey, an increase in his responsibilities. Approximately 67%, 43%, 42%, and 44% of Messrs. Harvey's, Stadler's, Glickson's, and Derechin's total compensation, respectively, was deferred and paid in restricted stock units. In addition, approximately 83%, 82%, 79%, and 78% of Messrs. Harvey's, Stadler's, Glickson's, and Derechin's total compensation, respectively, was variable incentive compensation.

The table below sets forth total compensation approved by the Compensation Committee for Messrs. Harvey, Stadler, Glickson, and Derechin for the 2017 performance year. The amounts disclosed are presented in a format that differs from the amounts required to be disclosed by SEC regulations in the Summary Compensation Table. Total compensation for 2016 and 2015 for Messrs. Harvey, Stadler, and Derechin are included for comparative purposes.

| Name            | Performance Year | Annual Base Salary (\$) | Annual Incentive Performance Bonus |                             |                | Total Compensation (\$) |
|-----------------|------------------|-------------------------|------------------------------------|-----------------------------|----------------|-------------------------|
|                 |                  |                         | Cash (\$)                          | Mandatory RSU Deferral (\$) | RSU Award (\$) |                         |
| Joseph Harvey   | 2017             | 600,000                 | 573,188                            | 1,719,562                   | 675,000        | 3,567,750               |
|                 | 2016             | 600,000                 | 518,750                            | 1,556,250                   | 675,000        | 3,350,000               |
|                 | 2015             | 600,000                 | 456,250                            | 1,368,750                   | 675,000        | 3,100,000               |
| Matthew Stadler | 2017             | 375,000                 | 812,420                            | 639,380                     | 258,750        | 2,085,550               |
|                 | 2016             | 350,000                 | 744,437                            | 589,313                     | 258,750        | 1,942,500               |
|                 | 2015             | 325,000                 | 693,062                            | 548,188                     | 258,750        | 1,825,000               |
| Todd Glickson   | 2017             | 375,000                 | 634,937                            | 543,813                     | 200,000        | 1,753,750               |
| Adam Derechin   | 2017             | 375,000                 | 598,538                            | 524,212                     | 237,375        | 1,735,125               |
|                 | 2016             | 350,000                 | 553,581                            | 486,544                     | 237,375        | 1,627,500               |
|                 | 2015             | 325,000                 | 511,956                            | 450,669                     | 237,375        | 1,525,000               |

The restricted stock unit amounts included in the table above for the 2017 performance year were granted in January 2018, and therefore, are not reflected in the Summary Compensation Table or the 2017 Grants of Plan-Based Awards table.

#### Benefits and Perquisites

The company's named executive officers are eligible to receive the same benefits and perquisites that are offered to all of the company's other employees.

#### Employee Stock Purchase Plan

The company encourages its employees to own stock in the company. Under the company's Amended and Restated Employee Stock Purchase Plan ("ESPP"), eligible employees may elect to contribute on an after-tax basis between 1% and 10% of their annual salary and incentive performance bonus to purchase the company's common stock, subject to a \$25,000 annual Internal Revenue Service maximum. Shares are purchased at a 15% discount from the fair market value of the company's common stock as determined on the last business day of each of the quarterly offering periods. All named executive officers other than Mr. Steers may participate in the ESPP on the same basis as all other eligible employees.



#### 401(k) Plan

The company offers a tax-qualified 401(k) plan to all eligible employees. Employees may elect to contribute on a pre-tax basis between 1% and 100% of their annual compensation to the 401(k) plan, subject to the annual Internal Revenue Service maximum. We match 50% of employee pre-tax contributions in order to encourage employee participation, with such matching contribution vesting over a five-year period. Employees may also elect to make additional contributions on an after-tax basis. All named executive officers may participate in the 401(k) plan on the same basis as all other eligible employees.

#### Pension Benefits

Other than the company's broad-based 401(k) plan, we do not sponsor any pension plans.

#### Hedging of the Company's Stock

The company's employees, including its named executive officers, are prohibited from engaging in any transaction intended to hedge or minimize losses in the company's securities, including engaging in transactions in puts, calls, or other derivatives on the company's securities or short-selling the company's securities or "selling against the box" (i.e., failing to deliver sold securities).

#### Forfeiture/Clawback

At the discretion of the Compensation Committee, awards made under the company's Amended and Restated Annual Incentive Plan and the Amended and Restated Stock Incentive Plan may be subject to reduction, cancellation, forfeiture, or recovery upon the occurrence of certain specified events, in addition to any other applicable vesting or performance conditions of an award. Such events may include, but are not limited to: termination of employment for cause; termination of an executive's provision of services to the company; breach of noncompetition, confidentiality, or other restrictive covenants that may apply to an executive; or restatement of the company's financial statements to reflect adverse results from previously released financial statements as a consequence of errors, omissions, fraud, or misconduct.

#### Stock Ownership Guidelines

The company believes that its executive officers should own a meaningful amount of shares of the company to align their interests with the company's shareholders. However, the company does not believe that it is necessary to adopt stock ownership guidelines requiring its executive officers and directors to own a specified amount of the company's stock because its executive officers and directors collectively continue to own a substantial percentage of the company's common stock. Our chief executive officer and our chairman together own a significant portion of our outstanding common stock, aligning their interests with our other shareholders.

#### Termination and Change in Control Arrangements

Under the terms of the restricted stock unit award agreements between the company and each named executive officer, upon a change in control (as defined below), all unvested restricted stock units held by a named executive officer will immediately vest in full if such executive's employment is terminated by the company without cause or by the executive for good reason (as defined below) within the two-year period following a change in control (as defined below). This "double trigger" provision is designed to ensure that the company's named executive officers are able to make objective business decisions that are in the best interests of the company's shareholders in connection with a potential change in control. For additional information on the accelerated vesting of restricted stock units upon a change in control of the company, see "Accelerated vesting of restricted stock units" below.

In addition, pursuant to the terms of his employment agreement, Mr. Steers is entitled to certain payments and benefits upon the occurrence of certain specified events, including termination of employment with or without cause. The terms of his employment agreement are described below under "Employment Agreement with Robert Steers." The terms of Mr. Steers' employment agreement were determined through arms-length negotiations at the time of the company's initial public offering in 2004. As part of these negotiations, the company analyzed the terms of similar arrangements for executives employed by comparable companies in determining the amounts payable and the triggering events upon termination of employment or a change in control.

An estimate of the compensation that would have been payable to the company's named executive officers upon a change in control or termination of employment, as if each termination event occurred as of December 29, 2017, is described below under "Potential Payments upon Termination or Change in Control."

#### Tax Treatment of Executive Compensation

In general, Section 162(m) denies a tax deduction for certain compensation in excess of \$1,000,000 per year paid by a company to its named executive officers (excluding the chief financial officer, in the case of fiscal years prior to 2018), unless such compensation qualifies as "performance-based compensation" in the case of compensation paid with respect to fiscal years prior to 2018 or pursuant to certain pre-November 2, 2017 "grandfathered" arrangements. As a result of recent amendments to Section 162(m), the "performance-based compensation" exception to the \$1,000,000 deductibility limitation under Section 162(m) is no longer available for compensation paid with respect to fiscal 2018 and future years (unless paid pursuant to a pre-November 2, 2017 "grandfathered" arrangement).

For fiscal years prior to 2018, the company's bonus and equity compensation plans were generally intended to qualify for the "performance-based compensation" exception. However, in light of the recent amendments to Section 162(m), we anticipate that a portion of the compensation paid to our named executive officers for fiscal 2018 and future years will not be fully tax deductible.

**REPORT OF THE COMPENSATION COMMITTEE**

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K with management and, based on such review and discussions, the Compensation Committee recommended to the Board that the Compensation Discussion and Analysis be included in this proxy statement and in the company's Annual Report on Form 10-K for the year ended December 31, 2017, as incorporated by reference to this proxy statement.

In accordance with SEC rules, the Report of the Compensation Committee shall not be incorporated by reference into any of the company's future filings made under the Exchange Act or under the Securities Act of 1933, as amended (the "Securities Act") and shall not be deemed to be soliciting material or to be filed under the Exchange Act or the Securities Act.

**MEMBERS OF THE COMPENSATION COMMITTEE**

Edmond D. Villani (chairman)

Peter L. Rhein

Richard P. Simon

Frank T. Connor

Reena Aggarwal

## Summary Compensation Table

The following table sets forth information about the total compensation paid to the company's named executive officers in 2017 and 2016 and 2015, if applicable.

| Name and Principal Position                   | Year | Salary (\$) | Bonus <sup>(1)</sup> (\$) | Stock Awards <sup>(2)</sup> (\$) | Option Awards (\$) | Non-Equity Incentive Plan Compensation (\$) | Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$) | All Other Compensation <sup>(3)</sup> (\$) | Total (\$) |
|---|------|-------------|---------------------------|----------------------------------|--------------------|---|--|--|------------|
| Robert Steers<br>CEO                          | 2017 | 750,000     | —                         | 2,426,212                        | —                  | 736,313                                     | —  | 326,495 <sup>(4)</sup>                     | 4,239,020  |
|   | 2016 | 750,000     | —                         | 1,863,728                        | —                  | 673,750                                     | —  | 204,397 <sup>(5)</sup>                     | 3,491,875  |
|   | 2015 | 750,000     | —                         | 1,788,736                        | —                  | 486,250                                     | —  | 171,214 <sup>(6)</sup>                     | 3,196,200  |
| Joseph Harvey<br>President                    | 2017 | 600,000     | —                         | 2,231,228                        | —                  | 573,188                                     | —  | 305,847 <sup>(4)</sup>                     | 3,710,263  |
|   | 2016 | 600,000     | —                         | 2,043,729                        | —                  | 518,750                                     | —  | 182,665 <sup>(5)</sup>                     | 3,345,144  |
|   | 2015 | 600,000     | —                         | 1,383,701                        | —                  | 456,250                                     | —  | 118,821 <sup>(6)</sup>                     | 2,558,772  |
| Matthew Stadler<br>CFO                        | 2017 | 375,000     | —                         | 848,043                          | —                  | 812,420                                     | —  | 133,816 <sup>(4)</sup>                     | 2,169,279  |
|   | 2016 | 350,000     | —                         | 806,909                          | —                  | 744,437                                     | —  | 92,036 <sup>(5)</sup>                      | 1,993,382  |
|   | 2015 | 325,000     | —                         | 745,625                          | —                  | 693,063                                     | —  | 75,326 <sup>(6)</sup>                      | 1,839,014  |
| Adam Derechin<br>COO                          | 2017 | 375,000     | —                         | 723,900                          | —                  | 598,538                                     | —  | 117,489 <sup>(4)</sup>                     | 1,814,927  |
|   | 2016 | 350,000     | —                         | 688,009                          | —                  | 553,581                                     | —  | 82,692 <sup>(5)</sup>                      | 1,674,282  |
|   | 2015 | 325,000     | —                         | 679,225                          | —                  | 511,956                                     | —  | 71,380 <sup>(6)</sup>                      | 1,587,561  |
| Todd Glickson<br>Director of Global Marketing | 2017 | 375,000     | —                         | 654,996                          | —                  | 634,937                                     | —  | 81,823 <sup>(4)</sup>                      | 1,746,756  |

(1) The annual incentive performance bonus for each named executive officer is reported under “Stock Awards” and “Non-Equity Incentive Plan Compensation.”

(2) The amounts in this column reflect the aggregate grant date fair value of restricted stock units granted in the fiscal year noted for each named executive officer (but not necessarily the performance year in which they were earned because the company generally grants stock awards in January of the year following the performance year in which they were earned) in accordance with ASC Topic 718. The grant date fair value was determined using the average of the high and low stock price of the company's common stock on the grant date. The 2017 Grants of Plan-Based Awards table contained in this proxy statement discloses the number and grant date fair value of restricted stock units granted in fiscal year 2017 to each named executive officer in respect of the 2016 performance year.

- (3) The named executive officers received no perquisites or other personal benefits that were not otherwise offered to all of the company's other employees.  
Includes a matching contribution in the company's 401(k) plan of \$12,000 for each of Messrs. Steers, Harvey, Stadler, Derechin, and Glickson.
- (4) Also includes \$314,495, \$293,847, \$121,816, \$105,489, and \$69,823 in dividend equivalent restricted stock units accrued in 2017 on unvested restricted stock units held by Messrs. Steers, Harvey, Stadler, Derechin, and Glickson.  
Includes a matching contribution in the company's 401(k) plan of \$12,000 for each of Messrs. Steers, Harvey, Stadler, and Derechin.
- (5) Also includes \$192,397, \$170,665, \$80,036, and \$67,382 in dividend equivalent restricted stock units accrued in 2016 on unvested restricted stock units held by Messrs. Steers, Harvey, Stadler, and Derechin.  
Includes a matching contribution in the company's 401(k) plan of \$12,000 for each of Messrs. Steers, Harvey, Stadler, and Derechin.
- (6) Also includes \$159,214, \$106,821, \$63,326, and \$53,954 in dividend equivalent restricted stock units accrued in 2015 on unvested restricted stock units held by Messrs. Steers, Harvey, Stadler, and Derechin.

## 2017 Grants of Plan-Based Awards

The following table sets forth the actual number of unvested restricted stock units granted in 2017 to the company's named executive officers and the grant date fair value of these awards.

| Name            | Grant Date | Action Date <sup>(1)</sup> | Estimated Future Payouts Under Non-Equity Incentive Plan Awards <sup>(2)</sup> |             |                | Estimated Future Payouts Under Equity Incentive Plan Awards |            |               | All Other Stock Awards: Number of Shares of Stock or Units (#) | All Other Option Awards: Number of Securities Underlying Options (#) | Exercise or Base Price of Option Awards (\$/Sh) | Grant Date Fair Value of Stock and Option Awards (\$) |
|-----------------|------------|----------------------------|--|-------------|----------------|---|------------|---------------|--|--|---|---|
|                 |            |                            | Thresh- old (\$)   | Target (\$) | Maxi- mum (\$) | Thresh- old (#)   | Target (#) | Maxi- mum (#) |  |  |   |   |
| Robert Steers   | 1/31/17    | 12/21/16                   | —  | —           | —              | —   | —          | —             | 70,142 <sup>(3)</sup>  | —  | —   | 2,426,212   |
| Joseph Harvey   | 1/31/17    | 12/21/16                   | —  | —           | —              | —   | —          | —             | 64,505 <sup>(4)</sup>  | —  | —   | 2,231,228   |
| Matthew Stadler | 1/31/17    | 12/21/16                   | —  | —           | —              | —   | —          | —             | 24,517 <sup>(5)</sup>  | —  | —   | 848,043   |
| Adam Derechin   | 1/31/17    | 12/21/16                   | —  | —           | —              | —   | —          | —             | 20,928 <sup>(6)</sup>  | —  | —   | 723,900   |
| Todd Glickson   | 1/31/17    | 12/21/16                   | —  | —           | —              | —   | —          | —             | 18,936 <sup>(7)</sup>  | —  | —   | 654,996   |

Restricted stock unit awards, including those restricted stock units awarded under the company's Mandatory Stock Bonus Program, are generally granted in the year following the performance year in which they were earned.

(1) Accordingly, the restricted stock units awarded to each named executive officer in respect of the 2017 performance year were actually granted in January 2018 and, therefore, are not included in this table. Delivery of the shares of common stock underlying these restricted stock units is contingent on continued employment.

The Compensation Committee approved year-end equity awards for the 2016 performance year at its meeting on December 21, 2016, with the awards being granted on January 31, 2017. The average of the high and low price of the company's common stock on January 31, 2017 was used to determine the number of restricted stock units to be granted.

See "Compensation Discussion and Analysis—Elements of Executive Compensation—Annual Incentive Performance (2) Bonus" and "Compensation Discussion and Analysis—2017 Executive Compensation" in this proxy statement for a discussion of non-equity incentive plan awards.

(3) Includes 58,434 restricted stock units from the mandatory deferral of a portion of the executive's 2016 annual incentive performance bonus and an additional 11,708 restricted stock units that vest ratably on the last business day of January 2018, 2019, 2020, and 2021. Any dividends paid by the company on its common stock are accrued in additional restricted stock units, which vest on the last business day of January 2021.

(4) Includes 44,991 restricted stock units from the mandatory deferral of a portion of the executive's 2016 annual incentive performance bonus and an additional 19,514 restricted stock units that vest ratably on the last business day of January 2018, 2019, 2020, and 2021. Any dividends paid by the company on its common stock are accrued in additional restricted stock units, which vest on the last business day of January 2021.

(5) Includes 17,037 restricted stock units from the mandatory deferral of a portion of the executive's 2016 annual incentive performance bonus and an additional 7,480 restricted stock units that vest ratably on the last business day of January 2018, 2019, 2020, and 2021. Any dividends paid by the company on its common stock are accrued in additional restricted stock units, which vest on the last business day of January 2021.



(6) Includes 14,066 restricted stock units from the mandatory deferral of a portion of the executive's 2016 annual incentive performance bonus and an additional 6,862 restricted stock units that vest ratably on the last business day of January 2018, 2019, 2020, and 2021. Any dividends paid by the company on its common stock are accrued in additional restricted stock units, which vest on the last business day of January 2021.

(7) Includes 13,154 restricted stock units from the mandatory deferral of a portion of the executive's 2016 annual incentive performance bonus and an additional 5,782 restricted stock units that vest ratably on the last business day of January 2018, 2019, 2020, and 2021. Any dividends paid by the company on its common stock are accrued in additional restricted stock units, which vest on the last business day of January 2021.

2017 Outstanding Equity Awards at Fiscal Year-End

The following table sets forth certain information about unvested restricted stock units held by the company's named executive officers as of December 31, 2017.

| Name            | Option Awards   |   |   |                            |                        | Stock Awards  |   | Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#) | Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$) |
|-----------------|---|---|---|----------------------------|------------------------|---|---|---|--|
|                 | Number of Securities Underlying Unexercised Options Exercisable (#) | Number of Securities Underlying Unexercised Options (#) | Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options (#) | Option Exercise Price (\$) | Option Expiration Date | Number of Shares or Units of Stock That Have Not Vested (#) | Market Value of Shares or Units of Stock That Have Not Vested <sup>(1)</sup> (\$) |   |  |
| Robert Steers   | —   | —   | —   | —                          | —                      | 167,248 <sup>(2)</sup>                                      | 7,909,158   | —   | —  |
| Joseph Harvey   | —   | —   | —   | —                          | —                      | 155,984 <sup>(3)</sup>                                      | 7,376,483   | —   | —  |
| Matthew Stadler | —   | —   | —   | —                          | —                      | 65,604 <sup>(4)</sup>                                       | 3,102,413   | —   | —  |
| Adam Derechin   | —   | —   | —   | —                          | —                      | 57,064 <sup>(5)</sup>                                       | 2,698,557   | —   | —  |
| Todd Glickson   | —   | —   | —   | —                          | —                      | 36,857 <sup>(6)</sup>                                       | 1,742,968   | —   | —  |

(1) Based on the closing price of \$47.29 of the company's common stock on December 29, 2017.

(2) Includes 11,494 restricted stock units granted on January 31, 2014 that vested on the last business day of January 2018; 21,040 restricted stock units granted on January 30, 2015 that vest ratably on the last business day of each of January 2018 and 2019; 47,448 restricted stock units granted on January 29, 2016 that vest ratably on the last business day of each of January 2018, 2019, and 2020; and 70,142 restricted stock units granted on January 31, 2017 that vest ratably on the last business day of each of January 2018, 2019, 2020, and 2021. Also includes 17,124 unvested dividend equivalent restricted stock units.

(3) Includes 8,614 restricted stock units granted on January 31, 2014 that vested on the last business day of January 2018; 16,275 restricted stock units granted on January 30, 2015 that vest ratably on the last business day of each of January 2018 and 2019; 52,030 restricted stock units granted on January 29, 2016 that vest ratably on the last business day of each of January 2018, 2019, and 2020; and 64,505 restricted stock units granted on January 31, 2017 that vest ratably on the last business day of each of January 2018, 2019, 2020, and 2021. Also includes 14,560 unvested dividend equivalent restricted stock units.

(4) Includes 4,919 restricted stock units granted on January 31, 2014 that vested on the last business day of January 2018; 8,770 restricted stock units granted on January 30, 2015 that vest ratably on the last business day of each of January 2018 and 2019; 20,544 restricted stock units granted on January 29, 2016 that vest ratably on the last business day of each of January 2018, 2019, and 2020; and 24,517 restricted stock units granted on January 31, 2017 that vest ratably on the last business day of each of January 2018, 2019, 2020, and 2021. Also includes 6,854 unvested dividend equivalent restricted stock units.

(5) Includes 4,553 restricted stock units granted on January 31, 2014 that vested on the last business day of January 2018; 7,990 restricted stock units granted on January 30, 2015 that vest ratably on the last business day of each of January 2018 and 2019; 17,516 restricted stock units granted on January 29, 2016 that vest ratably on the last business day of each of January 2018, 2019, and 2020; and 20,928 restricted stock units granted on January 31, 2017 that vest ratably on the last business day of each of January 2018, 2019, 2020, and 2021. Also includes 6,077 unvested dividend equivalent restricted stock units.

(6) Includes 1,700 restricted stock units granted on July 8, 2014 that vest on July 13, 2018; 1,677 restricted stock units granted on January 30, 2015 that vest ratably on the last business day of each of January 2018 and 2019; 11,739 restricted stock units granted on January 29, 2016 that vest ratably on the last business day of each of January 2018, 2019, and 2020; and 18,936 restricted stock units granted on January 31, 2017 that vest ratably on the last business day of each of January 2018, 2019, 2020, and 2021. Also includes 2,805 unvested dividend equivalent restricted stock units.

## 2017 Option Exercises and Stock Vested

The following table sets forth certain information about restricted stock units held by the company's named executive officers that vested in 2017.

| Name            | Option Awards                             |                                 | Stock Awards                             |                                |
|-----------------|---|---------------------------------|--|--------------------------------|
|                 | Number of Shares Acquired on Exercise (#) | Value Realized on Exercise (\$) | Number of Shares Acquired on Vesting (#) | Value Realized on Vesting (\$) |
| Robert Steers   | —   | —                               | 56,873 <sup>(1)</sup>                    | 1,959,275                      |
| Joseph Harvey   | —   | —                               | 47,767 <sup>(2)</sup>                    | 1,645,573                      |
| Matthew Stadler | —   | —                               | 24,202 <sup>(3)</sup>                    | 833,759                        |
| Adam Derechin   | —   | —                               | 21,833 <sup>(4)</sup>                    | 752,147                        |
| Todd Glickson   | —   | —                               | 6,450 <sup>(5)</sup>                     | 234,528                        |

(1) Includes the vesting of 51,459 restricted stock units on January 31, 2017 that were originally granted on the last business day of each of January 2013, 2014, 2015, and 2016 with a value realized on vesting of \$1,772,763; and 5,414 dividend equivalent restricted stock units on January 31, 2017 that accrued on restricted stock units granted on the last business day of January 2013 with a value realized on vesting of \$186,512.

(2) Includes the vesting of 44,410 restricted stock units on January 31, 2017 that were originally granted on the last business day of each of January 2013, 2014, 2015, and 2016 with a value realized on vesting of \$1,529,924; and 3,357 dividend equivalent restricted stock units on January 31, 2017 that accrued on restricted stock units granted on the last business day of January 2013 with a value realized on vesting of \$115,649.

(3) Includes the vesting of 22,038 restricted stock units on January 31, 2017 that were originally granted on the last business day of each of January 2013, 2014, 2015, and 2016 with a value realized on vesting of \$759,209; and 2,164 dividend equivalent restricted stock units on January 31, 2017 that accrued on restricted stock units granted on the last business day of January 2013 with a value realized on vesting of \$74,550.

(4) Includes the vesting of 19,828 restricted stock units on January 31, 2017 that were originally granted on the last business day of each of January 2013, 2014, 2015, and 2016 with a value realized on vesting of \$683,075; and 2,005 dividend equivalent restricted stock units on January 31, 2017 that accrued on restricted stock units granted on the last business day of January 2013 with a value realized on vesting of \$69,072.

(5) Includes the vesting of 4,750 restricted stock units on January 31, 2017 that were originally granted on the last business day of each of January 2015 and 2016 with a value realized on vesting of \$163,638; and 1,700 restricted stock units on July 15, 2017 that were originally granted on July 8, 2014 with a value realized on vesting of \$70,890.

## Potential Payments upon Termination or Change in Control

Under the terms of the restricted stock unit award agreements between the company and each named executive officer (and the employment agreement with Mr. Steers), our named executive officers are entitled to certain compensation in the event of a termination of employment or a change in control of the company. The amount of compensation payable to each named executive officer upon the occurrence of certain specified events is set forth below.

Robert Steers. The following table sets forth potential payments upon termination of employment of Robert Steers, our chief executive officer.

| Executive Benefits and Payments upon Termination <sup>(1)</sup> | Resignation                                   |   | Termination without Cause by the Company (\$) | Termination for Cause by the Company (\$) | Termination without Cause by the Company or Resignation for Good Reason following Change in Control (\$) | Death of Executive (\$)  | Disability of Executive (\$) |
|---|---|---|---|---|--|--------------------------|------------------------------|
|   | Resignation for Good Reason by Executive (\$) | Resignation without Good Reason by Executive (\$) |   |   |  |                          |                              |
| Compensation:   |   |   |   |   |  |                          |                              |
| Base Salary (\$750,000)   | 1,500,000                                     | —   | 1,500,000                                     | —   | 2,250,000  | —                        | —                            |
| Annual Incentive Bonus  | 2,000,000                                     | —   | 2,000,000                                     | —   | 3,000,000  | 1,000,000                | 1,000,000                    |
| Long Term Incentives  | —   | —   | —   | —   | 7,909,158 <sup>(4)</sup>   | 7,909,158 <sup>(4)</sup> | 7,909,158                    |
| Restricted Stock Units  | —   | —   | —   | —   | —  | —                        | —                            |
| Benefits and Perquisites:                                       |   |   |   |   |  |                          |                              |
| Continued Medical Benefits <sup>(2)</sup>                       | 452,713                                       | 452,713   | 452,713                                       | —   | 452,713  | —                        | 452,713                      |
| Excise Tax Gross-Up <sup>(3)</sup>                              | —   | —   | —   | —   | 2,786,588  | —                        | —                            |
| <b>Total</b>  | <b>3,952,713</b>                              | <b>452,713</b>                                    | <b>3,952,713</b>                              | <b>—</b>                                  | <b>16,398,459</b>  | <b>8,909,158</b>         | <b>9,361,818</b>             |

(1) Assumes executive's date of termination is December 29, 2017 and is based on the closing price of \$47.29 of the company's common stock on the date of termination.

The employment agreement with Mr. Steers provides that if his employment terminates for any reason other than by us for cause (as such term is defined in the employment agreement), then Mr. Steers and his spouse and dependents will be entitled to continued coverage under the company's medical plans in which he was participating at the time of such termination for the remainder of his life, subject to payment by Mr. Steers of the same

(2) premiums he would have paid during such period of coverage if he were an active employee. The value of the continued health benefits is based upon the RP 2014 Healthy Male and Female Tables and the company providing health care coverage to Mr. Steers, his spouse, and dependents until his death. Actuarial methods, considerations, and analyses used in making this calculation conform to the appropriate standards of practice and guidelines of the Actuarial Standards Board.

The employment agreement with Mr. Steers provides that in the event payments under the employment agreement (3) or otherwise result in a parachute excise tax to Mr. Steers, he will be entitled to a gross-up payment equal to the amount of the excise tax as well as the excise tax and income tax on the gross-up payment.

Includes the value of 29,588 unvested restricted stock units. Also includes the value of 120,536 unvested restricted (4) stock units acquired under the Mandatory Stock Bonus Program and 17,124 unvested dividend equivalent restricted stock units acquired in connection with restricted stock unit awards.

Joseph Harvey. The following table sets forth potential payments upon termination of employment of Joseph Harvey, our president.

| Executive Benefits and Payments upon Termination <sup>(1)</sup> | Resignation for Good Reason by Executive (\$) | Resignation without Good Reason by Executive (\$) | Termination without Cause by the Company (\$) | Termination for Cause by the Company (\$) | Termination without Cause by the Company or Resignation for Good Reason by Executive following Change in Control (\$) | Death or Disability of Executive (\$) |
|---|---|---|---|---|---|---------------------------------------|
| Compensation:<br>Long Term Incentives<br>Restricted Stock Units | —   | —   | —   | —   | 7,376,483 <sup>(2)</sup>  | 7,376,483 <sup>(2)</sup>              |

(1) Assumes executive's date of termination is December 29, 2017 and is based on the closing price of \$47.29 of the company's common stock on the date of termination.

(2) Includes the value of 49,312 unvested restricted stock units. Also includes the value of 92,112 unvested restricted stock units acquired under the Mandatory Stock Bonus Program and 14,560 unvested dividend equivalent restricted stock units acquired in connection with restricted stock unit awards.

Matthew Stadler. The following table sets forth potential payments upon termination of employment of Matthew Stadler, our chief financial officer.

| Executive Benefits and Payments upon Termination <sup>(1)</sup> | Resignation for Good Reason by Executive (\$) | Resignation without Good Reason by Executive (\$) | Termination without Cause by the Company (\$) | Termination for Cause by the Company (\$) | Termination without Cause by the Company or Resignation for Good Reason by Executive following Change in Control (\$) | Death or Disability of Executive (\$) |
|---|---|---|---|---|---|---------------------------------------|
| Compensation:<br>Long Term Incentives<br>Restricted Stock Units | —   | —   | —   | —   | 3,102,413 <sup>(2)</sup>  | 3,102,413 <sup>(2)</sup>              |

(1) Assumes executive's date of termination is December 29, 2017 and is based on the closing price of \$47.29 of the company's common stock on the date of termination.

(2) Includes the value of 18,903 unvested restricted stock units. Also includes the value of 39,847 unvested restricted stock units acquired under the Mandatory Stock Bonus Program and 6,854 unvested dividend equivalent restricted stock units acquired in connection with restricted stock unit awards.



Adam Derechin. The following table sets forth potential payments upon termination of employment of Adam Derechin, our chief operating officer.

| Executive Benefits and Payments upon Termination <sup>(1)</sup> | Resignation for Good Reason by Executive (\$) | Resignation without Good Reason by Executive (\$) | Termination without Cause by the Company (\$) | Termination for Cause by the Company (\$) | Termination without Cause by the Company or Resignation for Good Reason by Executive following Change in Control (\$) | Death or Disability of Executive (\$) |
|---|---|---|---|---|---|---------------------------------------|
| Compensation:<br>Long Term Incentives<br>Restricted Stock Units | —   | —   | —   | —   | 2,698,557 <sup>(2)</sup>  | 2,698,557 <sup>(2)</sup>              |

(1) Assumes executive's date of termination is December 29, 2017 and is based on the closing price of \$47.29 of the company's common stock on the date of termination.

(2) Includes the value of 17,341 unvested restricted stock units. Also includes the value of 33,646 unvested restricted stock units acquired under the Mandatory Stock Bonus Program and 6,077 unvested dividend equivalent restricted stock units acquired in connection with restricted stock unit awards.

Todd Glickson. The following table sets forth potential payments upon termination of employment of Todd Glickson, our director of global marketing and product solutions.

| Executive Benefits and Payments upon Termination <sup>(1)</sup> | Resignation for Good Reason by Executive (\$) | Resignation without Good Reason by Executive (\$) | Termination without Cause by the Company (\$) | Termination for Cause by the Company (\$) | Termination without Cause by the Company or Resignation for Good Reason by Executive following Change in Control (\$) | Death or Disability of Executive (\$) |
|---|---|---|---|---|---|---------------------------------------|
| Compensation:<br>Long Term Incentives<br>Restricted Stock Units | —   | —   | —   | —   | 1,742,968 <sup>(2)</sup>  | 1,742,968 <sup>(2)</sup>              |

(1) Assumes executive's date of termination is December 29, 2017 and is based on the closing price of \$47.29 of the company's common stock on the date of termination.

(2) Includes the value of 11,148 unvested restricted stock units. Also includes the value of 22,904 unvested restricted stock units acquired under the Mandatory Stock Bonus Program and 2,805 unvested dividend equivalent restricted stock units acquired in connection with restricted stock unit awards.



## Assumptions

Below is a description of the assumptions that were used in determining the potential payments set forth above. Unless otherwise noted, the following descriptions are applicable to all of the company's named executive officers.

**Excise tax gross-up.** Upon the termination of Mr. Steers' employment by the company without cause (as such term is defined in his employment agreement) or by Mr. Steers for good reason (as such term is defined in his employment agreement), each within the two-year period following a change in control (as such term is defined in his employment agreement), we have agreed to reimburse Mr. Steers for all excise taxes that are imposed on him under Section 4999 of the Internal Revenue Code and any income, employment, and excise taxes that are payable by him as a result of reimbursements for Section 4999 excise taxes. The Section 4999 gross-up amount set forth in the table above assumes that Mr. Steers is entitled to a full reimbursement by the company of (i) any excise taxes that are imposed on him as a result of a change in control; (ii) any income, employment, and excise taxes imposed upon him as a result of the company's reimbursement of the excise tax amount; and (iii) any additional income, employment, and excise taxes that are imposed on him as a result of the company's reimbursement of any excise, employment, or income taxes. The calculation of the Section 4999 gross-up amount set forth in the table above is based upon a Section 4999 excise tax rate of 20%, a 39.6% federal income tax rate, a 1.45% Medicare tax rate, a 0.9% Medicare surcharge, and the applicable state income tax rates. The discount rates used to compute the present value of accelerated payouts or accelerated vesting are determined by the Internal Revenue Service (120% of the applicable federal rates compounded semi-annually for December 2017 as referenced in Table 1 of Revenue Ruling 2017-24). For purposes of the Section 4999 calculation, we assumed that no amounts will be discounted as attributable to reasonable compensation and no value will be attributed to Mr. Steers executing a non-competition agreement.

**Accelerated vesting of restricted stock units.** Under the terms of the restricted stock unit award agreements between the company and each named executive officer, all unvested restricted stock units held by a named executive officer will immediately vest in full if such executive's employment is terminated (i) by the company without cause or by the executive for good reason, each within the two-year period following a change in control or (ii) at any time due to the executive's death or disability (as defined below).

A termination is for "cause" if it is for any of the following reasons: (i) the executive's continued failure to substantially perform the executive's duties to the company (other than as a result of total or partial incapacity due to physical or mental illness) for a period of 10 days following written notice by the company to the executive of such failure; (ii) the executive's engagement in conduct inimical to the company's interests, including without limitation, fraud, embezzlement, theft, or dishonesty in the course of the executive's employment; (iii) the executive's commission of, or plea of guilty or nolo contendere to (A) a felony or (B) a crime other than a felony that involves a breach of trust or fiduciary duty owed to the company or an affiliate of the company; (iv) the executive's disclosure of the company's or its affiliates' trade secrets or confidential information; or (v) the executive's breach of any agreement with the company or an affiliate of the company, including, without limitation, any agreement with respect to confidentiality, non-disclosure, non-competition, or otherwise.

A termination is for "good reason" if it is for any of the following reasons: (i) the failure by the company or one of its affiliates to pay or cause to be paid the executive's base salary or annual bonus (to the extent earned in accordance with the terms of any applicable annual bonus or annual incentive arrangement), if any, when due or (ii) any substantial and sustained diminution in the executive's authority or responsibilities; provided that either of the events described in clauses (i) or (ii) of this sentence will constitute "good reason" only if the company and its affiliates fail to cure such event within 30 days following receipt from the executive of written notice of the event that constitutes good reason; provided, further, that "good reason" will cease to exist for an event on the 60th day following the later of its occurrence or the executive's knowledge thereof, unless the executive has given the company written notice thereof prior to such date.

A "change in control" means the occurrence of any of the following events: (i) the complete liquidation of the company or the sale or disposition, in one or a series of related transactions, of all or substantially all of the company's assets to any "person" or "group" other than certain permitted holders; (ii) any person or group, other than the permitted holders, is or becomes the beneficial owner of the company's securities representing both (A) 20% or more of the combined voting power of the then-outstanding securities of the company and (B) more of the combined voting power of the then-outstanding securities of the company than Mr. Cohen and Mr. Steers in the aggregate; (iii) during any period of

24 consecutive months, individuals who at the beginning of such period constituted the board cease for any reason to

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constitute a majority of the board then in office; or (iv) the consummation of any transaction or series of transactions resulting in a merger, consolidation, or amalgamation, in which the company is involved, other than a merger, consolidation, or amalgamation that would result in the company's shareholders immediately prior thereto continuing to own, in the same proportion as immediately prior to the transaction(s), more than 50% of the combined voting power of the company's voting securities or such surviving entity outstanding immediately after such merger, consolidation, or amalgamation.

"Disability" means the inability of the employee to perform in all material respects such employee's duties and responsibilities to the company by reason of a physical or mental disability or infirmity, which inability is reasonably expected to be permanent and has continued (i) for a period of six consecutive months or (ii) such shorter period as the Compensation Committee may reasonably determine in good faith. The disability determination will be made in the sole discretion of the Compensation Committee.

#### Employment Agreement with Robert Steers

The company has entered into an employment agreement with Mr. Steers. The employment agreement sets forth the terms of Mr. Steers' employment with the company. The employment agreement provides for an initial three-year employment term, which term automatically extends for additional one-year periods unless either party gives the other party 60 days' prior written notice of such party's intention not to extend the employment term.

The employment agreement provided for an initial annual base salary of \$500,000 or such other amount that may be determined in the sole discretion of the Board (which amount was adjusted to \$750,000 effective January 1, 2008), and an annual incentive performance bonus as approved in the discretion of the Compensation Committee.

During the term, Mr. Steers is entitled to:

- employee benefits that are no less favorable than those employee benefits provided to him before the company's initial public offering; and

- participate in all of the company's employee benefits programs on a basis which is no less favorable than is provided to any of the company's other executives.

#### Termination of employment

Death or disability. Pursuant to the employment agreement, if Mr. Steers' employment terminates prior to the expiration of the term due to his death or disability (as such term is defined in the employment agreement), then he (or his estate, as the case may be) is entitled to the following "Accrued Rights":

- any accrued, but unpaid, base salary through the date of termination;
- any accrued and earned, but unpaid, annual incentive performance bonus for any previously completed fiscal year;
- reimbursement for any unreimbursed business expenses properly incurred prior to the date of termination; and
- such employee benefits, if any, as to which Mr. Steers may be entitled under any employee benefit plan of the company and its affiliates.

In addition to the Accrued Rights, Mr. Steers is also entitled to receive a lump sum payment equal to his target annual incentive performance bonus for the fiscal year in which termination occurs, payable when the annual incentive performance bonus would have otherwise been payable had his employment not terminated.

Without cause or resignation for good reason. Under the employment agreement, if Mr. Steers' employment is terminated prior to the expiration of the term by the company without cause (as such term is defined in the employment agreement) or by Mr. Steers for good reason (as such term is defined in the employment agreement), or if the company elects not to extend the term of the employment agreement (each, a "qualifying termination"), then Mr. Steers is entitled to receive, subject to his compliance with certain restrictive covenants:

- a lump sum payment equal to two times (three times in the case of a qualifying termination that occurs on or following a change in control) the sum of Mr. Steers' annual base salary and target annual incentive performance bonus for the fiscal year in which termination occurs. Any termination by the company without cause within six months prior to a change in control will be deemed to be a termination of employment on

the date of such change in control. Any amounts paid by the company pursuant to this clause will be reduced by the present value of any other cash severance or termination benefits payable to Mr. Steers under any other plan, programs, or arrangements of the company or its affiliates; and  
the Accrued Rights.

For cause or resignation without good reason. Pursuant to the employment agreement, if Mr. Steers' employment is terminated prior to the expiration of the term by the company for cause or by Mr. Steers without good reason, then Mr. Steers is entitled to receive only the Accrued Rights.

The employment agreement generally provides that, if Mr. Steers' employment terminates for any reason other than by the company for cause, Mr. Steers and his spouse and dependents are entitled to continued coverage under the company's medical plans in which he was participating at the time of such termination for the remainder of his life, subject to payment by him of the same premiums he would have paid during such period of coverage if he were an active employee. In addition, the employment agreement provides that in the event payments under the employment agreement or otherwise result in an excise tax to Mr. Steers, he is entitled to receive a gross-up payment equal to the amount of the excise tax as well as the excise tax and income tax on the gross-up payment.

The employment agreement also provides that upon termination of Mr. Steers' employment for any reason, Mr. Steers generally retains the right to use his name in connection with future business ventures.

#### Restrictive covenants

Non-competition and non-solicitation. Under the employment agreement, if Mr. Steers' employment is terminated by the company for cause or by him without good reason or if Mr. Steers elects not to extend the term of the employment agreement, for one (1) year following such termination of employment, Mr. Steers is generally prohibited from:  
initiating contact with or seeking to provide investment advisory services to certain persons to whom the company or any of its affiliates render such services;

soliciting or seeking to induce or actually inducing certain company employees or employees of its affiliates to discontinue such employment or hiring or employing such employees;

directly or indirectly engaging in any business that competes with the company's business or the business of its affiliates within the United States or any other country in which the company or its affiliates are conducting business at the time of determination;

acquiring a financial interest in, or otherwise becoming actively involved with, any competitive business; and  
interfering with, or attempting to interfere with, business relationships between the company or any of its affiliates and its and their customers, clients, suppliers, partners, members, or investors.

Confidentiality, intellectual property, and non-disclosure. Mr. Steers is subject to customary confidentiality, intellectual property, and non-disclosure provisions, including provisions which, in general, prohibit him from disclosing, retaining, or using for his or any other person's benefit confidential or proprietary information of the company and provisions which, in general, require him to assign, transfer, and convey to the company all rights to, including intellectual property rights, any works of authorship, inventions, intellectual property, materials, documents, or other work product created by him during his employment with the company.

If Mr. Steers breaches any of the restrictive covenants, in addition to any remedies at law, the company is entitled to cease making any payments or providing any benefit otherwise required by the employment agreement and to obtain equitable relief in the form of specific performance, temporary restraining order, temporary or permanent injunction, or any other equitable remedy which may then be available.

#### General provisions

In the event of a dispute between the company and Mr. Steers arising under or related to his employment agreement, we have agreed to pay any legal fees and expenses reasonably incurred by him in connection with such dispute if he prevails in substantially all material respects on the issues presented for resolution.

#### Pay Ratio Disclosure

As required by Section 953(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 402(u) of Regulation S-K, we are providing the following information regarding the ratio of the annual total compensation of the company's principal executive officer to the median of the annual total compensation of all our employees (other than the company's principal executive officer) (the "CEO Pay Ratio"). Our CEO Pay Ratio is a reasonable estimate calculated in a manner consistent with Item 402(u). However, due to the flexibility afforded by Item 402(u) in calculating the CEO Pay Ratio, our CEO Pay Ratio may not be comparable to the CEO pay ratios presented by other companies.

As of December 31, 2017, we had 302 full-time employees (excluding our principal executive officer) and one part-time employee. We identified our median employee using the company's global employee population as of December 31, 2017. To identify the company's median employee, we used annual base salary and bonuses earned in 2017. We believe this consistently applied compensation measure reasonably reflects annual compensation across the company's employee base. After identifying the company's median employee, we calculated the median employee's annual total compensation in accordance with the requirements of the Summary Compensation Table. For 2017, our median employee's annual total compensation was \$233,648 and the annual total compensation for Mr. Steers, the company's principal executive officer, was \$4,239,020. Accordingly, our CEO Pay Ratio for 2017 was approximately 18.1:1.

## Equity Compensation Plan Information

The following table summarizes information, as of December 31, 2017, relating to the company's equity compensation plans pursuant to which grants of restricted stock units or other rights to acquire shares of the company's common stock may be granted from time to time.

| Plan Category  | Number of securities to be issued upon exercise of outstanding options, warrants and rights | Weighted-average exercise price of outstanding options, warrants and rights | Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the first column) |
|--|---|---|---|
| Approved   |   |   |   |
| Amended and Restated Cohen & Steers, Inc. Stock Incentive Plan         | 1,910,101   | (1)   | 5,080,445 <sup>(2)</sup>  |
| Cohen & Steers, Inc. Amended and Restated Employee Stock Purchase Plan | N/A   | N/A   | 204,481 <sup>(3)</sup>  |
| Total Approved by Shareholders   | 1,910,101   | (1)   | 5,284,926   |
| Not Approved   |   |   |   |
| None   | —   | —   | —   |

(1) As of December 31, 2017, all of the awards granted under the company's Amended and Restated Stock Incentive Plan were restricted stock units, which do not have an exercise price.

(2) Consists of shares of the company's common stock issuable under the Amended and Restated Stock Incentive Plan pursuant to various awards the Compensation Committee may make, including nonqualified stock options, incentive stock options, stock appreciation rights, restricted stock, restricted stock units, and other stock-based awards.

(3) 395,519 shares of the company's common stock have been issued under the ESPP pursuant to which employees may purchase shares of the company's common stock at a 15% discount from the fair market value of the company's common stock on the last business day of each quarterly offering period.

## CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

### Approval or Ratification of Related Party Transactions

The company has adopted a written policy pursuant to which all employees, directors, and certain other related parties (as defined in Item 404(a) of Regulation S-K) who have a direct or indirect interest in a transaction or agreement in which the company is a participant (regardless of the dollar amount involved in the transaction or whether the transaction must be disclosed publicly by the company, but excluding routine employee/employer transactions such as compensation or participation in any of the company's benefits plans) must promptly disclose the facts and circumstances of that transaction or agreement to the company's general counsel. The general counsel will promptly communicate all such information to management and the Audit Committee. Management, in consultation with the Audit Committee, will then determine whether the transaction may be consummated or permitted to continue. If such transaction or agreement constitutes a "related party transaction" as defined in Item 404(a), then such transaction may not be consummated or continue without the approval or ratification of the Audit Committee. Members of the Audit Committee who are interested parties in any related party transaction must recuse themselves from any such vote. For purposes thereof, a "related party transaction" is any transaction (i) that is reportable by the company under Item 404(a), (ii) in which the company was or will be a participant, (iii) in which the amount involved exceeds \$120,000, and (iv) in which any related party had or will have a direct or indirect material interest.

Transactions or other arrangements between the company and its clients, including registered investment companies for which the company serves as investment adviser, do not need to be approved or ratified. In addition, investment management or other financial services (such as those involving investments in the company's funds, investment vehicles, or separate accounts) provided either by or to the company and involving a director or employee (or his or her immediate family members, or a company or charitable organization of which the director or employee or an immediate family member is (or, at the time of the transaction, was) a partner, shareholder, officer, employee, or director) need not be approved or ratified so long as the products and services are being provided in the ordinary course of business and on substantially the same terms and conditions, including price, as would be available to similarly situated customers.

### Company-sponsored Funds

Mr. Steers, our chief executive officer, serves as chairman of each of the company's U.S. registered open-end and closed-end funds. Mr. Harvey, our president, serves as a vice president and director of each of the company's U.S. registered open-end and closed-end funds. Mr. Derechin, our chief operating officer, serves as chief executive officer and president of each of the company's U.S. registered open-end and closed-end funds. Messrs. Steers, Harvey, and Derechin do not receive additional compensation from any of the company-sponsored open-end and closed-end funds for their services. Some members of the Board are investors in certain funds that the company manages.

### Registration Rights Agreement

In connection with the company's initial public offering in 2004, Mr. Cohen and Mr. Steers entered into a registration rights agreement with the company pursuant to which the company granted Mr. Cohen and Mr. Steers and certain of their affiliates and transferees the right, as described below, to require us to register under the Securities Act shares of the company's common stock (and other securities convertible into or exchangeable or exercisable for shares of the company's common stock) held by them. Such registration rights are generally available to the rights holders until registration under the Securities Act is no longer required to enable the rights holders to resell the registrable securities owned by them.

The registration rights agreement provides, among other things, that the company will pay all expenses in connection with the first ten demand registrations requested by the rights holders and in connection with any registration commenced by the company in which the rights holders participate through "piggyback" registration rights granted under such agreement. We have the right to postpone any demand registration (i) if registration would require an audit of us other than the regular audit of the company conducted at fiscal year-end, (ii) if another registration statement which was not effected on Form S-3 has been declared effective under the Securities Act within 180 days, or (iii) for a period of 90 days, if the Board determines that it is in the company's best interests to do so. The ability of the rights holders to exercise their "piggyback" registration rights is subject to the company's right to reduce on a pro rata basis among all requesting holders the number of requested shares of common stock to be registered if in the opinion of the managing





underwriter the total number of shares to be so registered exceeds that number which may be sold without having an adverse effect on the price, timing, or distribution of the offering of the shares.

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## ITEM TWO

RATIFICATION OF THE APPOINTMENT OF  
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

At its meeting on February 22, 2018, the Board, upon the recommendation of the Audit Committee, appointed Deloitte & Touche LLP to serve as the company's independent registered public accounting firm for the current fiscal year ending December 31, 2018. Representatives of Deloitte & Touche LLP are expected to be present at the Annual Meeting and will have an opportunity to make a statement if they so desire and will be available to respond to appropriate questions.

## Principal Accounting Fees and Services

Aggregate fees for professional services provided by Deloitte & Touche LLP and its affiliates for the fiscal years ended December 31, 2017 and 2016 are set forth below.

|                                   | 2017        | 2016        |
|-----------------------------------|-------------|-------------|
| Audit Fees <sup>(1)</sup>         | \$905,000   | \$892,700   |
| Audit Related Fees <sup>(2)</sup> | 256,000     | 300,500     |
| Tax Fees <sup>(3)</sup>           | 37,000      | 56,000      |
| All Other Fees <sup>(4)</sup>     | 3,000       | 2,200       |
| Total                             | \$1,201,000 | \$1,251,400 |

(1) Fees for audit services consisted primarily of:

- Audit of the company's annual consolidated financial statements.
- Audit of the company's internal controls under Section 404 of the Sarbanes-Oxley Act of 2002.
- Reviews of the company's quarterly condensed consolidated financial statements.
- Audits of the company's regulated subsidiaries.
- Consultation on accounting and financial reporting standards arising during the course of the audit or review.
- Review of the company's Form 10-K and interim Form 10-Qs.
- Required procedures related to SEC filings.
- Attendance at Audit Committee meetings at which matters relating to the audit or review were discussed.
- Review of short form registration statements.

Fees for services related to (i) the examination of the company's investment management and administrative (2) services for institutional accounts, (ii) the evaluation of a potential business transaction, and (iii) other reports filed with local regulatory authorities.

(3) Fees for services related to various consultations regarding tax matters.

(4) "All Other Fees" consisted of a subscription to an on-line accounting research tool offered by Deloitte & Touche LLP to its clients.

## Audit Committee Pre-Approval Policy

In accordance with the Audit Committee Pre-Approval Policy (the "Pre-Approval Policy"), all audit and permitted non-audit services during fiscal 2017 and 2016 performed by Deloitte & Touche LLP were pre-approved by the Audit Committee, which concluded that the provision of such services by Deloitte & Touche LLP did not impair Deloitte's independence in the conduct of its auditing functions.

Pre-approval of audit and permissible non-audit services includes pre-approval of the fees for such services (even though pre-approval of fees is not specifically required by SEC rules) and the other terms of the engagement.

At its first quarterly meeting of each fiscal year, and periodically as necessary, the Audit Committee reviews and pre-approves all audit, audit-related, tax, and all other services that the company expects to be performed by its independent registered public accounting firm for such fiscal year. The term of any pre-approval is 12 months from the date of pre-approval, unless the Audit Committee specifically provides for a different period.

Under its charter, the Audit Committee has authorized its chairman to pre-approve any services not already pre-approved at the Audit Committee's first quarterly meeting of the fiscal year pursuant to the Pre-Approval Policy. The chairman must report any pre-approvals to the Audit Committee at its next scheduled meeting. However, in the event that fees for any one service exceed \$50,000, or if fees for multiple services exceed \$100,000 in the aggregate, during any one quarter, pre-approval by the chairman of the additional services is required to be communicated to the Audit Committee prior to the next scheduled meeting.

Recommendation of the Board

The Board recommends a vote "FOR" the ratification of the appointment of Deloitte & Touche LLP as the company's independent registered public accounting firm for the current fiscal year ending December 31, 2018.

Ratification by the company's shareholders of the appointment of the independent registered public accounting firm is not required, but the Board believes that it is desirable to submit this matter to the company's shareholders. If the appointment of Deloitte & Touche LLP is not approved at the Annual Meeting, the Audit Committee will investigate the reason for the rejection and reconsider the appointment.

## REPORT OF THE AUDIT COMMITTEE

The Board has appointed an Audit Committee comprised of five directors, each of whom is independent under the NYSE listing standards. The Board has determined that each of Messrs. Rhein and Connor and Dr. Aggarwal is an “audit committee financial expert,” as that term is defined in the SEC rules.

The Board has adopted a written charter for the Audit Committee. A copy of that charter is available on the company’s corporate website at [www.cohenandsteers.com](http://www.cohenandsteers.com) under the heading “Company–Corporate Governance.” The Audit Committee’s job is one of oversight as set forth in its charter. It is not the Audit Committee’s responsibility to prepare the company’s financial statements, to plan or conduct audits, or to determine that the company’s financial statements are complete and accurate and prepared in accordance with accounting principles generally accepted in the United States of America. Management is responsible for preparing the company’s financial statements and for maintaining internal control over financial reporting and disclosure controls and procedures. The company’s independent registered public accounting firm is responsible for auditing the company’s financial statements and expressing an opinion as to whether those audited financial statements fairly present the company’s financial position, results of operations, and cash flows in conformity with accounting principles generally accepted in the United States of America.

The Audit Committee has reviewed and discussed the company’s audited financial statements for the fiscal year ended December 31, 2017 with management and with Deloitte & Touche LLP, the company’s independent registered public accounting firm.

The Audit Committee has discussed with Deloitte & Touche LLP the matters required to be discussed by Public Company Accounting Oversight Board Auditing Standard No. 1301 “Communications with Audit Committees.” The Audit Committee has received from Deloitte & Touche LLP the written statements required by the applicable standards of the Public Company Accounting Oversight Board regarding the independent auditor’s communications with the Audit Committee concerning independence, and the Audit Committee has discussed with Deloitte & Touche LLP its independence. The Audit Committee has concluded that Deloitte & Touche LLP’s provision of audit and non-audit services to the company and its affiliates did not impair Deloitte & Touche LLP’s independence.

Based on the review and discussions referred to above, the Audit Committee recommended to the Board that the audited consolidated financial statements be included in the company’s Annual Report on Form 10-K for the year ended December 31, 2017 for filing with the SEC.

In accordance with, and to the extent permitted by SEC rules, the information contained in the Report of the Audit Committee shall not be incorporated by reference into any of the company’s future filings made under the Exchange Act, or under the Securities Act, and shall not be deemed to be soliciting material or to be filed under the Exchange Act or the Securities Act.

## MEMBERS OF THE AUDIT COMMITTEE

Peter L. Rhein (chairman)

Richard P. Simon

Edmond D. Villani

Frank T. Connor

Reena Aggarwal

ITEM THREE

NON-BINDING ADVISORY VOTE ON EXECUTIVE COMPENSATION

Pursuant to Section 14A of the Exchange Act, we are including a separate proposal to shareholders, for a non-binding advisory vote, to approve the compensation of the company's named executive officers as disclosed under "Executive Compensation." The text of the resolution in respect of Item Three is as follows:

"RESOLVED, that the compensation paid to the company's named executive officers as disclosed in the 2018 proxy statement pursuant to SEC rules, including the Compensation Discussion and Analysis, compensation tables, and any related narrative discussion set forth in such proxy statement, is hereby APPROVED."

In considering their vote, shareholders should carefully review the information about the company's compensation policies and decisions with respect to the named executive officers presented in the Compensation Discussion and Analysis.

In particular, shareholders should take into consideration that the Compensation Committee bases its executive compensation decisions on the following:

• Compensation should be linked to individual and company performance;

• Compensation should be competitive; and

• Equity awards, in the form of forfeitable restricted stock units that vest over several years, should constitute a significant percentage of total compensation.

At the company's 2017 Annual Meeting of Shareholders, 92.13% of the votes cast by the company's shareholders approved the compensation of its named executive officers as described in the company's 2017 proxy statement. The Compensation Committee believes that this affirms shareholders' support of the company's approach to executive compensation.

While the results of the vote are non-binding and advisory in nature, the Board intends to carefully consider the results of the vote.

Recommendation of the Board

The Board recommends a vote "FOR" the approval of the compensation of the company's named executive officers.

**REQUIREMENTS, INCLUDING DEADLINES, FOR SUBMISSION OF PROXY PROPOSALS, NOMINATION OF DIRECTORS, AND OTHER BUSINESS OF SHAREHOLDERS**

Pursuant to the requirements of Rule 14a-8 under the Exchange Act, to be considered for inclusion in the company's proxy statement and proxy card for the company's 2019 Annual Meeting of Shareholders, a shareholder proposal must be received by the company at its principal executive offices at 280 Park Avenue, New York, New York 10017 by November 23, 2018. All proposals should be sent to the attention of the company's corporate secretary.

In addition, the company's bylaws set forth certain advance notice procedures to be followed by shareholders who wish to bring business before an annual meeting of shareholders or nominate candidates for election to the Board at an annual meeting of shareholders. Such procedures require that the shareholder give timely written notice to the company's corporate secretary. To be considered timely, such notice must be delivered to the company's principal executive offices not less than 90 days nor more than 120 days prior to the first anniversary of the preceding year's annual meeting, provided that in the event that the date of the annual meeting is more than 20 days before or more than 70 days after such anniversary date, notice by the shareholder must be delivered not earlier than the 120th day prior to and not later than the close of business on the later of the 90th day prior to such annual meeting or the 10th day following the day on which public announcement of the date of such meeting is first made.

**OTHER MATTERS**

The Board knows of no other business to be presented at the Annual Meeting. If, however, any other business should properly come before the meeting, or any adjournment thereof, any proxy will be voted with respect thereto in accordance with the best judgment of the persons named in the proxy.

By Order of the  
Board of Directors,

Francis C. Poli  
Corporate Secretary

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting.  
The 2017 Annual Report and Notice of Annual Meeting and Proxy Statement are available at [www.proxyvote.com](http://www.proxyvote.com).

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COHEN & STEERS, INC.  
PROXY

SOLICITED BY THE BOARD OF DIRECTORS

The undersigned appoints Francis C. Poli and Adam Johnson, and each of them, as proxies, each with full power of substitution, and authorizes them to represent and to vote, as designated on the reverse side of this form, all shares of common stock of Cohen & Steers, Inc. held of record by the undersigned as of March 8, 2018 at the 2018 Annual Meeting of Shareholders to be held on May 3, 2018 beginning at 9:00 a.m. local time at Cohen & Steers' corporate headquarters located at 280 Park Avenue, New York, New York, and in their discretion upon any matter that may properly come before the meeting or any adjournment of the meeting in accordance with their best judgment.

This proxy, when properly executed, will be voted in accordance with the instructions given on the reverse side of this form. If no other indication is made on the reverse side of this form, the proxies shall vote FOR all nominees listed in Proposal 1 and FOR Proposals 2 and 3.

This proxy may be revoked at any time prior to the time voting is declared closed by giving the Corporate Secretary of Cohen & Steers written notice of revocation or a subsequently dated proxy, or by casting a ballot at the meeting.

Address change/comments: \_\_\_\_\_  
\_\_\_\_\_

(If you noted any Address Changes and/or Comments above, please mark corresponding box on the reverse side.)

Continued and to be signed on reverse side

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COHEN &  
STEERS ,  
INC.  
280 PARK  
AVENUE  
NEW YORK,  
NY 10017

**VOTE BY INTERNET – [www.proxyvote.com](http://www.proxyvote.com)**

Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 P.M. Eastern Time the day before the cut-off date or meeting date. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

**ELECTRONIC DELIVERY OF FUTURE PROXY MATERIALS**

If you would like to reduce the costs incurred by the company in mailing proxy materials, you can consent to receiving all future proxy statements, proxy cards and annual reports electronically via e-mail or the Internet. To sign up for electronic delivery, please follow the instructions above to vote using the Internet and, when prompted, indicate that you agree to receive or access proxy materials electronically in future years.

**VOTE BY PHONE – 1-800-690-6903**

Use any touch-tone telephone to transmit your voting instructions up until 11:59 P.M. Eastern Time the day before the cut-off date or meeting date. Have your proxy card in hand when you call and then follow the instructions.

**VOTE BY MAIL**

Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

TO VOTE, MARK BLOCKS BELOW  
IN BLUE OR BLACK INK AS  
FOLLOWS:

KEEP THIS  
PORTION FOR  
YOUR RECORDS

-----  
DETACH AND  
RETURN THIS  
PORTION ONLY

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

The Board of Directors  
recommends you vote  
FOR the following:

1. Election of  
Directors

|          |     |         |         |
|----------|-----|---------|---------|
| Nominees | For | Against | Abstain |
|----------|-----|---------|---------|

|                     |    |    |    |
|---------------------|----|----|----|
| 1a. Martin<br>Cohen | .. | .. | .. |
|---------------------|----|----|----|

|                         |    |    |    |
|-------------------------|----|----|----|
| 1b. Robert H.<br>Steers | .. | .. | .. |
|-------------------------|----|----|----|

|                       |    |    |    |
|-----------------------|----|----|----|
| 1c. Peter L.<br>Rhein | .. | .. | .. |
|-----------------------|----|----|----|

The Board of Directors recommends you vote FOR proposals 2 and 3.

2. Ratification of Deloitte & Touche LLP as the company's independent registered public accounting firm for fiscal year ending December 31, 2018.

3. Approval, by non-binding vote, of the compensation of the named executive officers.

|     |         |         |
|-----|---------|---------|
| For | Against | Abstain |
|-----|---------|---------|

|    |    |    |
|----|----|----|
| .. | .. | .. |
|----|----|----|

|    |    |    |
|----|----|----|
| .. | .. | .. |
|----|----|----|

1d. Richard P. .. ..  
Simon  
1e. Edmond .. ..  
D. Villani  
1f. Frank T. .. ..  
Connor  
1g. Reena .. ..  
Aggarwal

NOTE: Such other business as may properly come before the meeting or any adjournment thereof.

For address change/comments, mark .. here. (see reverse for instructions)

Please date and sign exactly as your name(s) appear(s) hereon. When signing as attorney, executor, administrator, or other fiduciary, please give full title as such. Joint owners should each sign personally. All holders must sign. If a corporation or partnership, please sign in full corporate or partnership name by authorized officer.

|                                    |      |                          |      |
|------------------------------------|------|--------------------------|------|
| Signature [PLEASE SIGN WITHIN BOX] | Date | Signature (Joint Owners) | Date |
|------------------------------------|------|--------------------------|------|