



**WHEREAS:** Our Company's Chairman and Chief Executive Officer (CEO) Larry Fink, in August 2019, signed a Business Roundtable (BRT) "Statement on the Purpose of a Corporation," (Statement) committing our Company to serve all stakeholders including employees, customers, supply chain, communities where we operate, and shareholders.

The CEO has made other [public statements](#) underscoring the importance of a company's public purpose. In his 2020 annual letter to CEOs Larry Fink wrote:

The importance of serving stakeholders and embracing purpose is becoming increasingly central to the way that companies understand their role in society . . . a company cannot achieve long-term profits without embracing purpose and considering the needs of a broad range of stakeholders . . . . Ultimately, purpose is the engine of long-term profitability.

BlackRock's existing governance documents evolved in an environment of shareholder primacy. While the Statement may be beneficial to associate with our brand, the Statement as company policy may conflict with Delaware law and/ or be interpreted as greenwashing or puffery unless integrated into Company governance documents, including bylaws, Articles of Incorporation, and/or Committee Charters.

The Company's actions and policies should also integrate with the Statement. The Company currently engages in various actions that appear to contradict the Statement. As an example related to climate:

- [Data show](#) that BlackRock holds companies with reserves in fossil fuels amounting to a staggering 9.5 gigatonnes of CO2 emissions — or 30 percent of total energy-related carbon emissions from 2017 (see report p.2). BlackRock has the highest ratio of coal investments compared to overall size among the ten largest fund managers. A [report](#) from German NGO Urgewald showed that Blackrock is the largest investor in companies building new coal power capacity across the world with a total investment of over \$17.6 billion USD (see report p.8).
- BlackRock's 2020 publicly [reported](#) proxy voting record reveals consistent votes against virtually all climate-related resolutions (having voted for only 3 of 36 such resolutions) such as requests for enhanced disclosure or adoption of greenhouse gas reduction goals, even where independent experts advance a strong business and economic case for supporting the proposal (see report p.31).



Although the Statement of Purpose implies accountability to stakeholders, without clear mechanisms in place to implement the Purpose, this broadened standard could reduce accountability to shareholders while providing accountability to none.

**BE IT RESOLVED:** Shareholders request our Board prepare a report based on a review of the BRT Statement of the New Purpose of a Corporation, signed by our Chairman and Chief Executive Officer, and provide the board's perspective regarding how our Company's governance and management systems should be altered, if at all, to fully implement the New Statement of Purpose.

**SUPPORTING STATEMENT:** Implementation may include, at Board discretion, actions including amending the bylaws or articles of incorporation to integrate the new "Purpose;" linking related goals or metrics to executive or board compensation; providing for representation of stakeholders in governance of our Company.