SANFORD J. LEWIS, ATTORNEY

February 22, 2021
Via electronic mail

Office of Chief Counsel
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Re: Shareholder Proposal to BlackRock, Inc. Regarding Statement of Purpose of the Corporation by As You Sow on behalf of Fortunat & Shoshana Mueller (S) and co-filer NJ Blessing Decd Tr Mar Rev GST EX (S)

Ladies and Gentlemen:

I am writing on behalf of Fortunat & Shoshana Mueller (S) and co-filer NJ Blessing Decd Tr Mar Rev GST EX (S) ("NJ Blessing"), beneficial owners ("the Proponents") of common stock of BlackRock, Inc. (the "Company") who have submitted a shareholder proposal (the "Proposal") to the Company. I am in receipt of a letter dated January 22, 2021 ("Company Letter") sent to the Securities and Exchange Commission by Marc S. Gerber on behalf of BlackRock. In that letter, the Company contends that the Proposal may be excluded from the Company's 2021 proxy statement. A copy of this reply is being emailed concurrently to Marc S. Gerber.

SUMMARY

The Proposal begins by describing fundamental challenges and contradictions facing the Company given the CEO's endorsement of the Business Roundtable's Statement of Purpose of the Corporation.

The Proponents believes that BlackRock, as the world's largest asset manager, still faces fundamental challenges to implementing its commitment to stakeholders and the environment. Even though it is taking positive action on climate change and ESG disclosure, the theory by which it is governed is unclear. Despite a commitment to stakeholders and the environment, the Company still: 1) operates under shareholder primacy, 2) lacks legally operative fiduciary accountability of Board and management regarding stakeholder interests, and 3) has substantial holdings in fossil fuels and companies involved in rainforest destruction which pose a significant challenge to its commitment to stakeholders and sustainability.

As a result of these operative challenges, the Proposal requests a report from the Board of Directors assessing changes to governance and management systems that would be responsive to these concerns and effectively implement the Statement.

In the no action request, the Company reports that the Board met and discussed the proposal and concluded perfunctorily that no changes to governance or management systems were needed. The letter also highlights laudable initiatives by the Company to support the interests of stakeholders. The Company Letter asserts that this combination of actions substantially

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implements the Proposal, or that implementing the proposal would not result in a significantly different outcome (delta) for the Company.

The Proponents asserts that neither Rule 14a-8(i)(10) nor Rule 14a-8(i)(7) are an appropriate basis for excluding the proposal.

The Board has not acted in a manner that would make a vote of shareholders on the proposal unnecessary or inappropriate, and therefore has not substantially implemented the proposal. To the contrary, examining the essential purpose of the proposal, it is clear that the rubber-stamp decision by the Board not to make changes from its current configuration either avoided the difficult questions posed by the Proposal, or at a minimum, avoided providing the transparency on these issues implied by the proposal. Thus, the proposal is not substantially implemented for purposes of Rule 14a-8(i)(10).

Voting and implementation of the Proposal would involve a significant change or "delta" from existing actions. The Board's response to this Proposal provided neither analysis nor transparency about the core questions raised by the Proposal; if the Board were spurred to act by shareholder support of the Proposal, we would expect a greater level of detail and response to the unanswered issues raised.

As such, the actions requested by the Proposal differ significantly from the current Board action. Given the Company's current controversies, the essential purpose of the Proposal, and the important opportunity for investors to encourage the company to develop a more coherent and responsive foundation for its stakeholder commitments, action on the Proposal would be significant to the Company and to investors.

Accordingly, the proposal is neither excludable under Rule 14a-8(i)(10) nor Rule 14a-8(i)(7).

THE PROPOSAL

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.[1]

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. BlackRock has the highest ratio of coal investments compared to overall size among the ten largest fund managers.[2] 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.[3]
- 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.[4]

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.

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[1] https://www.blackrock.com/corporate/investor-relations/larry-fink-ceo-letter
[2] https://2degrees-investing.org/wp-content/uploads/2019/11/MASTER_Fossil_Fuel_Ownership_Nov_2018.pdf, p.2
[3] https://coalexit.org/sites/default/files/download_public/COP25_PR3.pdf, p.8
[4] https://static1.squarespace.com/static/5d4df99c531b6d0001b48264/t/5f698600bdf79a75853d431c/1600751130906/ClimateintheBoardroom_MA_2020, p.31

ANALYSIS

The Proposal is not excludable under Rule 14a-8(i)(10) or Rule 14a-8(i)(7)

The Company Letter asserts alternatively that the Proposal is substantially implemented or that the actions requested by the Proposal would not be significant to the Company. Proponents assert that the actions taken and disclosures made by the Company do not satisfy the "essential objective" of the Proposal, and that it would be significant to the Company if shareholders voted favorably on the Proposal and the Board then prepared a report responsive to the essential objective of the Proposal.

The Proposal begins by describing fundamental challenges and contradictions related to the CEO's endorsement of the Business Roundtable's Statement of Purpose of the Corporation given current governance and management systems that evolved in the era of shareholder primacy.

Even though the Company is taking positive action on climate change and ESG disclosure, the theory by which it is governed and through which decisions will be made is unclear and self-contradictory. While the CEO has made a bold public commitment to stakeholders and sustainability, the Proponents and many others believe that BlackRock, as the world's largest asset manager, faces internal organizational challenges to implementing those commitments due to the likelihood of fundamental conflicts with shareholder primacy. The Company lacks legally operative fiduciary accountability of the Board and management to address conflicts with stakeholder interests, including for instance its substantial holdings in fossil fuels which pose a significant challenge to the Company's commitment to stakeholders and sustainability.
As a result of these operative challenges, the Proposal requests a report from the Board of Directors assessing changes to governance and management systems that would be responsive to these concerns and effectively implement the Statement. No adequate response has been forthcoming.

Rule 14a-8(i)(10)

In the Staff's view, a determination that the Company has substantially implemented the proposal depends upon whether its particular policies, practices, and procedures compare favorably with the guidelines of the proposal. *Texaco, Inc.* (Mar. 28, 1991). Substantial implementation under Rule 14a-8(i)(10) requires a company's actions to have satisfactorily addressed *both* the proposal's guidelines and its essential objective. See, e.g., *Exelon Corp.* (Feb. 26, 2010). The Commission stated in 1976 that the predecessor to Rule 14a-8(i)(10) was "designed to avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by the management." Exchange Act Release No. 12598 (July 7, 1976).

In the present instance, the Board's actions may have narrowly met the guidelines of the Resolved clause, by providing a summary response, but did not fulfill the essential objective of the Proposal as a whole. Therefore, the Proposal is not substantially implemented.

Examining the text of the proposal, it is evident that the essential purpose is to establish clarity of purpose and action by the Company through meaningfully examining the fundamental challenges posed by the BRT statement. The Whereas clauses of the Proposal begin by describing the BRT statement signed by the CEO "committing our Company to serve ***all*** stakeholders including employees, customers, supply chain, communities where we operate, and shareholders." The Proposal also recognizes the CEO's other public statements underscoring the importance of a company's public purpose in citing Larry Fink's 2020 letter in which he wrote "[t]he importance of serving stakeholders and embracing purpose is becoming increasingly central to the way that companies understand their role in society."

The Proposal includes the CEO's statement that "purpose is the engine of long-term profitability:"

> 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.

Yet this statement is unaccompanied by either a coherent legal framework or clear mechanisms for aligning potent market pressures for short term results, profits, and dividends against countervailing stakeholder interests.

The Proposal further notes that BlackRock's existing governance documents evolved in an environment of shareholder primacy and that:

> 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.

Extensive literature has documented the inconsistency of shareholder primacy with a stakeholder and sustainability commitment. A report issued by a Delaware law firm in fulfillment of a similar shareholder proposal this year at J.P. Morgan Chase and Company clarified how Delaware law renders the conventional corporation shareholder driven, and the interests of other stakeholders as secondary to those interests. The report makes it clear why a conventional Delaware corporation, subservient to its shareholders, may "consider" stakeholders yet be driven to profitable decisions even if that means harming other stakeholders, such as with poor working conditions or pollution:

> If the interests of the stockholders and the other constituencies conflict … the board's fiduciary duties require it to act in a manner that furthers the interests of the stockholders.[5]

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[5] Richards, Layton, & Finger, Report to the Board of Directors of JPMorgan Chase & Co. Regarding Public Benefit Corporations, page 3. https://www.sec.gov/divisions/corpfin/cf-noaction/14a-8/2021/harringtonjpmorgan020121-14a8.pdf

The Proponents seek a response as to how the Company can exert leverage on stakeholder interests at a systemic level without making deeper change, for instance by either clarifying the Board's fiduciary duties as a Universal Investor, or re-incorporating as a Public Benefit Corporation.

While the CEO is leading the Company with a belief that doing good pays in the long term, current legal frameworks show that the Company will face significant legal headwinds when it attempts to redirect resources away from perceived profitable actions such as its investments in fossil fuels to reduce harm to the global climate.

The Proposal here describes in the Whereas clauses the concept of embedding the corporate purpose in legally binding governance documents, yet the Company Letter asserting substantial implementation merely describes how the stakeholder ideas have been integrated into sub-legal documents -- statements, reports, principles and guidelines -- which in the Proponents' opinion, do not alter the fundamental legal rules under which the Company must function.

At most the Company Letter cites the Corporate Governance Guideline, a legally nonbinding guideline for "consideration" of other stakeholders in order to create long term value for shareholders:

> Both the Board and the management of BlackRock recognize that creating long-term value for the Company's shareholders will require consideration of the concerns of other stakeholders and interested parties including clients, employees and the communities in which BlackRock operates.

The board's choice of wording in the Guideline, requiring only 'consideration' of concerns of other stakeholders, while leaving the articles of incorporation and bylaws untouched and providing no other structures or mandatory mechanisms to resolve conflicts, means that shareholder primacy remains intact and continues to drive fiduciary decision-making. Against the stakeholder commitment, the Guideline provides no guidance as to whether or under what circumstances stakeholder interests may need to override shareholder interests in short term profits, if ever.

<u>Meeting Guidelines without Meeting Essential Purpose</u>
The Company Letter points to the resolved clause to assert implementation:

> 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.

It then states:

> In this instance, BlackRock has substantially implemented the Proposal, the essential objective of which is to report on the actions BlackRock should take to implement the BRT Statement. In this regard, the Proposal requests that the report describe how BlackRock's "governance and management systems should be altered, if at all, to fully implement the [BRT Statement]."

Based on the Board's simple statement that, "[a]s demonstrated by BlackRock's publicly disclosed policies and practices, BlackRock already operates in accordance with the principles set forth in the BRT Statement and has done so for many years." (p. 5 of No-Action Request), the Company concludes that its governance and management systems do not need to be altered to fully implement the Statement and asserts that the Board has fulfilled the guidelines of the proposal. Yet, such action by the Board barely touches the essential purpose of the Proposal.

Reading through the Whereas clauses of the proposal, it is clear that the Board's putative implementation leaves all the questions that the Proponents expressed unanswered. The Board provides no transparency on how it would answer any of the questions, and its report lacks the depth envisioned by the supporting statement in which the Proposal suggests that the Board examine issues such as 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.

The Company's argument for "substantial implementation" amounts to a claim that the Board's cursory declaration, without addressing the issues of conflict and contradiction, should be preemptive to a shareholder proposal. The Proposal's essential purpose is neither fulfilled nor overridden by this cursory Board pronouncement.

The Proposal further raises the question of how the company will be accountable to investors and to other stakeholders.

> 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*.

This concern that the Statement is an empty promise in the absence of accountability mechanisms has been the subject of critical commentary from investor and stakeholder perspectives. For instance, the Council of Institutional Investors, whose members hold a collective $4 trillion in assets, raised concerns about shareholder rights and that the lack of mechanisms in the statement could lead to "accountability to no one . . . . Long-term views and strategies are important … but "if 'stakeholder governance' and 'sustainability' become hiding places for poor management," the economy or public equity markets will suffer."

Proponents filed the Proposal *in recognition of the existing activities and principles* but needing the fundamental questions resolved -- the significant lack of transparency, coherence, and clarity of how decisions will be made when there is conflict between the Company's embrace of a broad new corporate purpose and the long or short term profitability of investments or business

practices that contradict the interest of the environment or of stakeholders. **The purpose of the Proposal is to generate a report from the Board that is additive to existing practices, not just a letter that attempts to rebuff the Proposal by merely touting its existing policies.**

Ultimately, this requires a coherent plan for bringing the Company's actions and policies into alignment with the Statement. The misalignment of current holdings with the Statement of purpose are dramatic. The Proposal highlights:

- 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.

- 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.

While the Company's efforts to demand metrics and transition plans from investee companies is an important and lauded first step, the ultimate investment decisions and engagements are apparently be constrained by shareholder primacy.
As one *Fortune* reader noted in response to the BRT Statement:

> *"Every CEO focuses extensively on the "needs of society" ... until they have a bad quarter."*[6]

As such, it is evident that it is quite appropriate for all shareholders to vote on the Proposal, whether they support shareholder primacy or stakeholder capitalism, to seek an explanation of how the interplay between the two principles will be governed. The actions cited by the Company are unresponsive to this request so this is not an instance where, if the Proposal goes forward to a vote, shareholders would have "to consider matters which already have been favorably acted upon by the management."

Thus, viewing the Proposal from the perspective of the Proponents, the Board has not implemented the essential purpose of the Proposal, because it has essentially rubber-stamped existing Company activities without addressing the hard issues raised by the Proposal. If the Company is really committed to the idea of public purpose, why resist this opportunity for shareholders to encourage the integration of the concepts more deeply into its corporate constitution?

The company letter says that it already operates in accordance with principles set forth in the BRT statement and has done so for many years. The operative "logic" is a belief statement, the idea that the company "believes that the most successful companies are those that serve all stakeholders." While there is no question that the company is engaged in proactive measures in

[6] https://fortune.com/2019/08/20/feedback-on-the-business-roundtable-shift-ceo-daily

support of stakeholders, the underlying conflict is still apparent despite these beliefs. Thus, the Proposal is not substantially implemented under Rule 14a-8(i)(10). Proponents believe that shareholders should be allowed to raise and seek additional information about this important issue with management and the Board, in this appropriate shareholder forum.

Rule 14a-8(i)(7)

The Company Letter goes on to assert that the Proposal is also excludable under Rule 14a-8(i)(7). The Staff has previously concluded that the subject matter of the Proposal is a significant policy issue that transcends ordinary business in no-action determination at the Company last year. *BlackRock Inc*. (February 25, 2020) (unwritten).

Unlike last year, the Company's Nominating and Governance Committee reviewed the Proposal and found that no additional action or assessment is required since, from its perspective, the Company already adheres to the BRT statement. The Company Letter further asserts that shareholders have expressed no interest in the topic and that given last year's 3.9% vote, even though it qualified for resubmission under Rule 14a-8(i)(12) as it is in effect for the coming year, the level of support otherwise demonstrates a lack of significance. Thus, the Company seeks to advance a new Rule 14a-8(i)(7) argument that taking action on the proposal would not be "significant to the company" for purposes of ordinary business.

Despite this argument, the Proposal is significant to the Company as demonstrated by examining media coverage, critical appraisal by stakeholder groups, as well as the issues raised in the Whereas clauses of the Proposal regarding whether and to what extent the Company can keep its commitment to stakeholders without changing governance documents, fiduciary duties, and accountability mechanisms (as discussed above).

Numerous legal and corporate scholars have written articles and reports addressing the new Statement, arguing that the Statement itself violates the fiduciary duties of directors, that it involves misleading communications, and that it unlawfully attempts to supplant shareholder primacy. These remain significant issues for the Company to resolve, and the existing Board actions do not reconcile them. For example, an article in *Fiduciary News* asked outright, "Did Business Roundtable Just Break a Fiduciary Oath?"[7] In this article, the author explained:

> The issue of which constituency – or "stakeholder" – has the highest priority has long been a classic corporate governance conundrum. Still, the prevailing consensus, as espoused by Milton Friedman in his September 13, 1970 New York Times Magazine article, has been corporate executives work for their owners (i.e., shareholders) and have a responsibility to do what those owners desire, which is to make as much money as (legally) possible. That all changed on August 19, 2019.
>
> . . . . With this in mind, the next question might be: What potential fiduciary liability might an investment adviser have by knowingly using client assets to purchase shares of

[7] Christopher Carosa, "Did Business Roundtable Just Break A Fiduciary Oath?", FiduciaryNews.com. August 27, 2019. http://fiduciarynews.com/2019/08/did-business-roundtable-just-break-a-fiduciary-oath/.

companies whose CEOs are on record of subordinating shareholder interest?

The Company has significant public visibility on stakeholder issues that are not aligned with the Statement

"BlackRock's Big Problem" (https://blackrocksbigproblem.com/) is an open source network of national, local, and international NGOs, grassroots community groups, and other organizations noting the failure of BlackRock to grapple with certain fundamental stakeholder issues such as climate change. The groups have created a website describing how "BlackRock is still the world's number-one investor in fossil fuels and it's still heavily invested in coal. The company has made little progress on deforestation and human rights."[8]

The New York Times reported that "British hedge fund manager, Christopher Hohn, said that it was 'appalling' of BlackRock not to require companies to disclose their sustainability efforts, and that the firm's previous efforts had been 'full of greenwash.'"[9]

Novethic reports that in addition to its fossil fuel investments, "BlackRock remains one of the riskiest American investors with $600 million invested in commodities such as palm oil, rubber, wood or pulp, say the NGOs."[10]

The Union of Concerned Scientists reported that "BlackRock has not backed many climate-related shareholder resolutions in recent years – in 2019 it supported only 15 percent of climate critical shareholder proposals it voted on."[11]

BlackRock's Big Problem notes that "according to Ceres and FundVotes, a unit of Morningstar, BlackRock had among the worst voting records on climate issues."[12] Some have commented that "unless [BlackRock] use[s] their shareholding voting rights to support a fast green transition, the current step is merely greenwashing."[13]

The proposal notes in the whereas clauses that 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

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[8] https://blackrocksbigproblem.com/#bigproblem
[9] Andrew Ross Sorkin, "BlackRock CEO Larry Fink: Climate Crisis Will Reshape Finance," *New York Times*, Feb. 24, 2020, https://www.nytimes.com/2020/01/14/business/dealbook/larry-fink-blackrock-climate-change.html
[10] Beatrice Heraud, "Climate: Ngos Demand Accountability From Blackrock, The Most Powerful Asset Manager In The World," *Novethic*, June 7, 2018, https://www.novethic.com/csr/isr-rse/climate-ngos-demand-accountability-from-blackrock-the-most-powerful-asset-manager-in-the-world-145912.html

[11] Nicole Pinko, "BlackRock Faces the Reality of Climate Activism," Union for Concerned Scientists, May 6, 2020, https://blog.ucsusa.org/nicole-pinko/blackrock-faces-the-reality-of-climate-activism
[12] Andrew Ross Sorkin, "BlackRock CEO Larry Fink: Climate Crisis Will Reshape Finance," *New York Times*, Feb. 24, 2020, https://www.nytimes.com/2020/01/14/business/dealbook/larry-fink-blackrock-climate-change.html
[13] David Ricketts, "BlackRock Urged to Cut Oil and Gas Stakes," Financial News, February 3, 2020, https://www.fnlondon.com/articles/blackrock-urged-to-cut-oil-and-gas-stakes-20200203

gas reduction goals, even where independent experts advance a strong business and economic case for supporting the proposal.

Internationally, BlackRock has come under criticism, as GreenPeace's European Unit reported last year that on environmental grounds, "92 NGOs wrote to European Commission President von der Leyen, and Executive Vice-Presidents Dombrovskis and Timmermans, to urge them to cancel the recently concluded contract with BlackRock Investment Management."[14]

The McKesson precedent is apropos to the current Proposal

The Company asserts that the *McKesson* proposal is distinguishable from this Proposal in that the "proponent in *McKesson* sought a report on how to "better align" those existing systems and the BRT Statement." In the current Proposal, the Company notes, the Proposal seeks "a report on how governance and management systems 'should be altered, if at all' to implement the BRT statement." In both instances, the question of implementation comes down to the essential purpose of the proposals, and therefore the attempted distinction is not effective. While the current proposal does not use the words "better align" in its Resolved clause, the essential objective based on the Whereas clauses, the Resolved clause, and the Supporting Statement is the same.

In *McKesson*, the company argued that the Governance Committee of the Board of directors had gone through their existing disclosures and activities and concluded that the company's existing disclosure of stakeholder relations was rigorous, and that, as in the present request, "McKesson already operates in accordance with the principles outlined in the BRT Statement."

Despite the similar arguments regarding Rule 14a-8(i)(10) and Rule 14a-8(i)(7) that the Company and its Board attempt to use here , in the face of what is effectively the same essential purpose, the Staff found that the proposal was not substantially implemented. Thus, we urge the Staff in the present matter to rule consistently with the decision in *McKesson*. The Staff in McKesson found that, despite a volume of materials published by the company on stakeholder relations, and the Board committee's declaration that the Statement made no significant difference to company actions, the request for a far more rigorous analysis (especially addressing the legal and accountability issues that lie at the heart of controversy regarding the BRT Statement) was not addressed by the Board's existing analysis and disclosures and therefore the proposal was not excludable on either basis.

In numerous instances in the past, the Staff have found that a proposal is not excludable where companies disclose abundant related information without fulfilling the guidelines of the proposal. See, for example, *EOG Resources, Inc.* (January 30, 2015), where there was abundant data disclosure but nothing equivalent to the "review" sought by the proposal.

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[14] GreenPeace European Unit, "EU Commission Must Not Take Climate Advice from BlackRock, GreenPeace, April 30, 2020, https://www.greenpeace.org/eu-unit/issues/climate-energy/3830/eu-commission-must-not-take-climate-advice-from-blackrock/

In this case, similarly, the Company's explanation that their, "existing principles, policies and practices are closely aligned with the principles endorsed in the BRT Statement" does not fulfill the objectives of the Proposal. The Company has failed to address the significant lack of transparency, coherence, and clarity of how decisions will be made when the long or short term profitability of investments or business practices contradict the interest of stakeholders, especially to the extent the Company has not altered its governance and legal structures and management practices to fully implement the new Statement of Purpose. Thus, the Proposal should not be excluded under Rule 14a-8(i)(10).

Relation to Executive Order of January 20, 2021

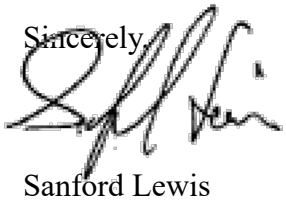
Notably, on January 20, 2021, President Biden issued an Executive Order calling for greater attention to public health, climate change, and environmental justice. The Executive Order asks all federal agencies to immediately begin looking for and implementing opportunities to protect public health and mitigate climate change. Allowing shareholders to vote on the Proposal, and thereby to exercise their private ordering leverage to encourage better disclosure and performance by the Company, is an important means of implementing the Executive Order, and therefore non-exclusion of the present Proposal has an additional and appropriate policy impetus.

CONCLUSION

Ultimately, disclosures provided by the Company do not address the core concerns raised in the Proposal, either for purposes of Rule 14a-8(i)(7) or Rule 14a-8(i)(10).

We believe that the Company has provided no basis for the conclusion that the Proposal is excludable from the 2021 proxy statement pursuant to Rule 14a-8. As such, we respectfully request that the Staff inform the company that it is denying the no action letter request.

Sincerely,



Sanford Lewis

cc: Marc S. Gerber
Danielle Fugere

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January 22, 2021

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, N.E.
Washington, D.C. 20549

RE: BlackRock, Inc. – 2021 Annual Meeting
Omission of Shareholder Proposal of
Fortunat & Shoshana Mueller (S) and co-filer

Ladies and Gentlemen:

Pursuant to Rule 14a-8(j) promulgated under the Securities Exchange Act of 1934, as amended, we are writing on behalf of our client, BlackRock, Inc., a Delaware corporation ("BlackRock"), to request that the Staff of the Division of Corporation Finance (the "Staff") of the Securities and Exchange Commission (the "Commission") concur with BlackRock's view that, for the reasons stated below, it may exclude the shareholder proposal and supporting statement (the "Proposal") submitted by As You Sow on behalf of Fortunat & Shoshana Mueller (S) (the "Muellers") and co-filer NJ Blessing Decd Tr Mar Rev GST EX (S) ("NJ Blessing") from the proxy materials to be distributed by BlackRock in connection with its 2021 annual meeting of shareholders (the "2021 proxy materials"). The Muellers and NJ Blessing are sometimes collectively referred to as the "Proponents."

In accordance with Section C of Staff Legal Bulletin No. 14D (Nov. 7, 2008) ("SLB 14D"), we are emailing this letter and its attachments to the Staff at shareholderproposals@sec.gov. In accordance with Rule 14a-8(j), we are simultaneously sending a copy of this letter and its attachments to As You Sow, on

*** FISMA & OMB Memorandum M-07-16

behalf of the Proponents, as notice of BlackRock's intent to omit the Proposal from the 2021 proxy materials.

Rule 14a-8(k) and Section E of SLB 14D provide that shareholder proponents are required to send companies a copy of any correspondence that the shareholder proponents elect to submit to the Commission or the Staff. Accordingly, we are taking this opportunity to remind the Proponents that if the Proponents, or As You Sow on their behalf, submit correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should concurrently be furnished to BlackRock.

I. The Proposal

The text of the resolution contained in the Proposal is set forth below:

> **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.

II. Bases for Exclusion

We hereby respectfully request that the Staff concur in BlackRock's view that it may exclude the Proposal from the 2021 proxy materials pursuant to:

- Rule 14a-8(i)(10) because BlackRock has substantially implemented the Proposal; and
- Rule 14a-8(i)(7) because the Proposal deals with matters relating to BlackRock's ordinary business operations.

III. Background

BlackRock received the Proposal, accompanied by a cover letter from As You Sow, on behalf of the Muellers, on December 10, 2020. Also on December 10, 2020, BlackRock received a copy of the Proposal, accompanied by a cover letter from As You Sow, on behalf of NJ Blessing and Krista Brewer, indicating that NJ Blessing and Ms. Brewer were co-filing the Proposal with the Muellers. On December 14, 2020, after confirming that the Muellers, NJ Blessing and Ms. Brewer were not shareholders of record, in accordance with Rule 14a-8(f)(1), BlackRock sent letters to As You Sow requesting a written statement from the record owners of the Muellers', NJ Blessing's and Ms. Brewer's shares verifying that they beneficially owned the requisite number of

shares of BlackRock common stock continuously for at least one year as of December 10, 2020, the date the Proposal was submitted (collectively, the "Deficiency Letters"). On December 28, 2020, BlackRock received a letter from Fidelity Investments via email verifying the Muellers' stock ownership (the "Mueller Broker Letter") and a letter from Glenmede Trust Company via email regarding NJ Blessing's stock ownership (the "NJ Blessing Broker Letter"). Also on December 28, 2020, As You Sow informed BlackRock via email that Ms. Brewer would no longer be co-filing the Proposal. Copies of the Proposal, cover letters, the Deficiency Letters, the Mueller Broker Letter, the NJ Blessing Broker Letter and related correspondence are attached hereto as Exhibit A.

IV. The Proposal May be Excluded Pursuant to Rule 14a-8(i)(10) Because BlackRock Has Substantially Implemented the Proposal.

Rule 14a-8(i)(10) permits a company to exclude a shareholder proposal if the company has already substantially implemented the proposal. The Commission adopted the "substantially implemented" standard in 1983 after determining that the "previous formalistic application" of the rule defeated its purpose, which is to "avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by the management." *See* Exchange Act Release No. 34-20091 (Aug. 16, 1983) (the "1983 Release"); Exchange Act Release No. 34-12598 (July 7, 1976). Accordingly, the actions requested by a proposal need not be "fully effected" provided that they have been "substantially implemented" by the company. *See* 1983 Release.

Applying this standard, the Staff has consistently permitted the exclusion of a proposal under Rule 14a-8(i)(10) when it has determined that the company's policies, practices and procedures or public disclosures compare favorably with the guidelines of the proposal. *See, e.g.*, *Devon Energy Corp.* (Apr. 1, 2020)*; *Johnson & Johnson* (Jan. 31, 2020)*; *Pfizer Inc.* (Jan. 31, 2020)*; *The Allstate Corp.* (Mar. 15, 2019); *Johnson & Johnson* (Feb. 6, 2019); *United Cont'l Holdings, Inc.* (Apr. 13, 2018); *eBay Inc.* (Mar. 29, 2018); *Kewaunee Scientific Corp.* (May 31, 2017); *Wal-Mart Stores, Inc.* (Mar. 16, 2017); *Dominion Resources, Inc.* (Feb. 9, 2016); *Ryder System, Inc.* (Feb. 11, 2015); *Wal-Mart Stores, Inc.* (Mar. 27, 2014).

In addition, the Staff has permitted exclusion under Rule 14a-8(i)(10) where the company already addressed the underlying concerns and satisfied the essential objectives of the proposal, even if the proposal had not been implemented exactly as proposed by the proponent. For example, in *PG&E Corp.* (Mar. 10, 2010), the Staff permitted exclusion under Rule 14a-8(i)(10) of a proposal requesting that the company

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* Citations marked with an asterisk indicate Staff decisions issued without a letter.

provide a report disclosing, among other things, the company's standards for choosing the organizations to which the company makes charitable contributions and the "business rationale and purpose for each of the charitable contributions." In arguing that the proposal had been substantially implemented, the company referred to a website where the company had described its policies and guidelines for determining the types of grants that it makes and the types of requests that the company typically does not fund. Although the proposal appeared to contemplate disclosure of each and every charitable contribution, the Staff concluded that the company had substantially implemented the proposal. *See also, e.g.*, *The Wendy's Co.* (Apr. 10, 2019) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting a report assessing human rights risks of the company's operations, including the principles and methodology used to make the assessment, the frequency of assessment and how the company would use the assessment's results, where the company had a code of ethics and a code of conduct for suppliers and disclosed on its website the frequency and methodology of its human rights risk assessments); *MGM Resorts Int'l* (Feb. 28, 2012) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting a report on the company's sustainability policies and performance, including multiple objective statistical indicators, where the company published an annual sustainability report); *Exelon Corp.* (Feb. 26, 2010) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting a report disclosing policies and procedures for political contributions and monetary and non-monetary political contributions where the company had adopted corporate political contributions guidelines).

In particular, in *JPMorgan Chase & Co.* (Feb. 5, 2020) the Staff permitted the exclusion under Rule 14a-8(i)(10) of a proposal requesting that the company's board of directors review the Business Roundtable's "Statement on the Purpose of a Corporation" (the "BRT Statement"), provide oversight and guidance as to how the BRT Statement should alter the company's governance and management systems and publish recommendations regarding implementation of the BRT Statement. The company argued that it had substantially implemented the proposal because it already operated in accordance with the principles set forth in the BRT Statement, which conclusion was supported by the company's corporate governance & nominating committee. In permitting exclusion of the proposal, the Staff stated that "it appears that the board's actions compare favorably with the guidelines of the [p]roposal and that the [c]ompany has, therefore, substantially implemented the [p]roposal," noting in particular the company's representation that "the [c]orporate [g]overnance & [n]ominating [c]ommittee of the [b]oard again reviewed the BRT Statement and determined that no additional action or assessment is required, as the company already operates in accordance with the principles set forth in the BRT Statement with oversight and guidance by the [b]oard of [d]irectors, consistent with the [b]oard's fiduciary duties." *See also Apple Inc.* (Dec. 17, 2020)* (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting a report on whether the company's governance and

management systems should be altered to fully implement the BRT Statement, where the company argued it already operated in accordance with the principles in the BRT Statement, which conclusion was supported by an analysis from the company's nominating and corporate governance committee).

In this instance, BlackRock has substantially implemented the Proposal, the essential objective of which is to report on the actions BlackRock should take to implement the BRT Statement. In this regard, the Proposal requests that the report describe how BlackRock's "governance and management systems should be altered, if at all, to fully implement the [BRT Statement]."

The BRT Statement, which was published in August 2019 by the Business Roundtable and signed by 181 corporate chief executive officers, including BlackRock's Chairman and Chief Executive Officer, expresses the companies' commitment to all of their stakeholders.[1] In particular, the BRT Statement expresses companies' commitment to delivering value to customers; investing in employees; dealing fairly and ethically with suppliers; supporting the communities in which the companies work; and generating long-term value for shareholders.

As demonstrated by BlackRock's publicly disclosed policies and practices, BlackRock already operates in accordance with the principles set forth in the BRT Statement and has done so for many years. Specifically, as described in BlackRock's 2020 Where we stand Report (the "Where we stand Report"), BlackRock believes that "the most successful companies are those that serve all stakeholders – shareholders, employees, clients and their communities," and "[t]hat's why we use our voice as shareholders to urge companies to focus on important issues like climate change, the fair treatment of workers, and equality."[2] The Where we stand Report also states that "[t]hroughout our history, we have continued to find new ways to contribute to a more equitable, resilient future for all of our stakeholders: our clients, our employees, our shareholders and the people in communities where we live and operate." BlackRock's commitment to considering all stakeholders also is incorporated into BlackRock's governance systems. In this respect, BlackRock amended its Corporate Governance Guidelines (the "Corporate Governance Guidelines") in 2016 to provide that "[b]oth the Board and the management of BlackRock recognize that creating long-term value for the Company's shareholders will require consideration of the concerns of other

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[1] *See* Business Roundtable, *Statement on the Purpose of a Corporation*, available at https://s3.amazonaws.com/brt.org/BRT-StatementonthePurposeofaCorporationOctober2020.pdf and attached hereto as Exhibit B.

[2] *See Where we stand*, available at https://www.blackrock.com/corporate/literature/publication/where-we-stand.pdf and attached hereto as Exhibit C.

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stakeholders and interested parties including clients, employees and the communities in which BlackRock operates." In addition, BlackRock's commitment to these considerations are embodied in its Principles (the "BlackRock Principles"), which, as further described below, represent BlackRock's "core values, our aspirations, and our cultural language – lived and embraced by every employee at our firm" and "guide how we interact with each other, our clients, the communities in which we operate, and all of our other stakeholders."[3] As stated in the BlackRock Principles, BlackRock is "deeply invested in the success of all of our stakeholders – our clients, our employees, our shareholders, and the communities where we operate – and we run our business sustainably and responsibly."

In addition, BlackRock has published a number of reports and statements that demonstrate how these principles are incorporated into BlackRock's day-to-day business. For example, BlackRock's website contains a Corporate Sustainability page (the "Corporate Sustainability Website")[4] and a Social Impact page (the "BlackRock Social Impact Website"),[5] which, along with BlackRock's 2020 TCFD (Task Force on Climate-Related Financial Disclosures) Report[6] and its 2020 letter to BlackRock clients (the "2020 Client Letter"),[7] provide detailed information on BlackRock's actions with regard to environmental, social and governance issues, many of which relate to topics addressed in the BRT Statement. In this respect, BlackRock also publishes a report on its annual carbon footprint (the "2020 Carbon Footprint Report"),[8] in which BlackRock describes the importance of "sound environmental management … to our stakeholders, including our employees, clients, and shareholders." Moreover, BlackRock's Supplier Code of Conduct & Ethics ("Supplier Code of Conduct & Ethics"), which sets forth BlackRock's basic principles and expectations for suppliers, describes BlackRock's

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[3] *See The BlackRock Principles*, available at https://www.blackrock.com/corporate/about-us/mission-and-principles and attached hereto as Exhibit D.

[4] *See BlackRock Corporate Sustainability*, available at https://www.blackrock.com/corporate/sustainability.

[5] *See Social Impact*, available at https://www.blackrock.com/corporate/about-us/social-impact.

[6] *See 2020 TCFD Report*, available at https://www.blackrock.com/corporate/literature/continuous-disclosure-and-important-information/tcfd-report-2020-blkinc.pdf and attached hereto as Exhibit E.

[7] *See Sustainability as BlackRock's New Standard for Investing*, available at https://www.blackrock.com/corporate/investor-relations/blackrock-client-letter and attached hereto as Exhibit F.

[8] *See BlackRock's 2020 Carbon Footprint*, available at https://www.blackrock.com/corporate/literature/continuous-disclosure-and-important-information/blk-carbon-footprint.pdf and attached hereto as Exhibit G.

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commitment to dealing fairly and ethically with its suppliers, stating that "BlackRock expects [its] suppliers to act and conduct themselves in the highest ethical manner in all business dealings and interactions."[9] Further, BlackRock's definitive proxy statement for the 2020 annual meeting of shareholders (the "2020 Proxy Statement") contains examples of BlackRock's commitment to diversity in the workforce. Also, as is its practice annually, in 2020, BlackRock published a letter from its Chairman and Chief Executive Officer to other corporate chief executive officers ("Larry Fink's 2020 Letter to CEOs") and to shareholders (the "2020 Chairman's Letter to Shareholders"), both of which address the many ways in which BlackRock abides by these principles.[10]

As further explained below, there is virtually no difference between the principles espoused in the BRT Statement and those to which BlackRock already adheres. The following table provides a point-by-point comparison of the principles in the BRT Statement and the principles BlackRock abides by, including statements and commitments in accordance with these principles.

The BRT Statement	**BlackRock's Statements and Commitments**
1. Deliver value to customers	• "We are a fiduciary to our clients. Our clients' interests come first. The fiduciary mindset is the bedrock of our identity. It reflects our integrity and the unbiased advice we give our clients." (BlackRock Principles) • "We are passionate about performance. We are relentless about finding better ways to serve our clients and improve our firm. Since our founding, innovation has been at the center of how we deliver performance and stay ahead of our clients' needs." (BlackRock Principles) • "We are committed to a better future. We are long-term thinkers, focused on helping people build a better tomorrow. We are deeply invested in the success of all of our stakeholders – our clients, our employees, our shareholders, and the communities where we operate – and we run our business sustainably and responsibly." (BlackRock Principles) • "BlackRock has always been focused on investing in and evolving our business to deliver better financial futures for our clients." (2020 TCFD Report)

[9] *See BlackRock Supplier Code of Conduct & Ethics*, available at https://www.blackrock.com/corporate/literature/publication/blackrock-supplier-code-of-conduct-and-ethics.pdf and attached hereto as Exhibit H.

[10] *See Larry Fink's Chairman's Letter to Shareholders*, available at https://www.blackrock.com/corporate/investor-relations/larry-fink-chairmans-letter and attached hereto as Exhibit I.

The BRT Statement	BlackRock's Statements and Commitments
	• "Our clients are why we exist. Everything we do is to help them achieve their goals. By helping them invest for the future, by making quality investments more accessible, by helping them navigate crises and by enabling them to invest for a sustainable future, we achieve our purpose of helping more and more people experience financial well-being." (2020 Chairman's Letter to Shareholders) • "Our purpose is to help more and more people experience financial well-being. We're taking action to contribute to a more equitable, financially resilient future for all." (Corporate Sustainability Website)
2. Invest in employees by providing fair compensation, important benefits and training and fostering diversity, inclusion, dignity and respect	• "We are One BlackRock. A diverse workforce is indispensable to our creativity and success. It's how we answer the biggest questions and solve the toughest problems. An inclusive, equitable environment makes us thrive. It enables us to draw on expertise and unique experiences from across the firm and bring out the best in each other." (BlackRock Principles) • "[We] strive to support all aspects of employees' physical, emotional and financial well-being so they can stay energized, engaged and inspired." (2020 Chairman's Letter to Shareholders) • "At BlackRock, we are committed to cultivating and advancing diversity in all forms as well as building a strong culture – one in which inclusion and belonging are paramount, where all BlackRock citizens strive to be open and inclusive leaders and teammates." (2020 Proxy Statement) • "We make a deliberate effort to foster a unifying culture, to encourage innovation, to ensure that we are developing, retaining and recruiting the best talent, to align employee incentives and risk taking with those of the firm, and to incorporate inclusion and diversity into all levels of our business." (Corporate Sustainability Website) • "We strive to cultivate and advance diversity in all forms because we believe a wide range of perspectives and talent is crucial to creating a richer culture for our employees and better results for our diversified global client base." (Corporate Sustainability Website)
3. Deal fairly and ethically with suppliers and dedicate to serving as good partners to other companies	• "BlackRock expects our Suppliers to act and conduct themselves in the highest ethical manner in all business dealings and interactions." (Supplier Code of Conduct & Ethics)

The BRT Statement	BlackRock's Statements and Commitments
	• "Human rights are a fundamental concern for BlackRock in its relationship with employees and suppliers." (Corporate Sustainability Website) • "BlackRock is committed to developing and seeks out qualified diverse businesses from historically underrepresented groups including companies owned and operated by minorities, women, military veterans, disabled veterans, people with disabilities and members of the LGBT+ community." (Supplier Code of Conduct & Ethics) • "Through our Global Supplier Diversity Program, we aim to achieve a diverse slate of Suppliers that reflects all the markets, clients and communities we serve and we expect our own Suppliers to operate in a similar manner." (Supplier Code of Conduct & Ethics)
4. Support the surrounding communities, respect the people in those communities and protect the environment by embracing sustainable practices	• "[W]e created The BlackRock Foundation and contributed 15.6 million shares of PennyMac Financial Services, Inc. with a market value of $589 million, to fund social impact efforts focused on advancing a more inclusive and sustainable economy. We believe this charitable contribution – in line with our purpose as a firm – will support our commitment to creating greater financial well-being and advancing sustainability in our communities." (2020 Proxy Statement) • "We've made a $50 million commitment to help millions of people living on low- to moderate incomes build emergency savings. BlackRock's Emergency Savings Initiative is helping companies and organizations to immediately identify, shape and test solutions that will create short-term financial stability for vulnerable workers, customers and communities." (BlackRock Social Impact Website) • "We invest in accelerators to catalyze new and innovative ideas with potential to advance social, economic and environmental progress." (BlackRock Social Impact Website) • "BlackRock recognizes that sound environmental management is central to our business, important to our employees and clients and key to securing our future. In our operations, BlackRock works to decouple company growth from environmental impact, while increasing the efficiency and resiliency of our operations." (Corporate Sustainability Website)

The BRT Statement	BlackRock's Statements and Commitments
	• "We have set emissions reduction targets for our global operations and data centers that we have been striving to achieve in 2020. These targets reflect our commitment to reducing the impact of our operations on the environment." (2020 Carbon Footprint Factsheet)
5. Generate long-term value for shareholders and commit to transparency and effective engagement with shareholders	• "Both the Board and the management of BlackRock recognize that creating long-term value for the Company's shareholders will require consideration of the concerns of other stakeholders and interested parties including clients, employees and the communities in which BlackRock operates." (Corporate Governance Guidelines) • "[W]e take a long-term view of markets, and we take a long-term view in the way we run our company." (2020 Chairman's Letter to Shareholders) • "We invest for the long term because BlackRock's future – for our clients, our shareholders, our employees and more – depends on it." (2020 Chairman's Letter to Shareholders) • "We are committed to enhancing the transparency of our stewardship practices, which we believe we owe to our clients and the broader set of stakeholders in these companies." (2020 Client Letter) • "We believe that all investors, along with regulators, insurers, and the public, need a clearer picture of how companies are managing sustainability-related questions. This data should extend beyond climate to questions around how each company serves its full set of stakeholders, such as the diversity of its workforce, the sustainability of its supply chain, or how well it protects its customers' data. Each company's prospects for growth are inextricable from its ability to operate sustainably and serve its full set of stakeholders." (Larry Fink's 2020 Letter to CEOs)

As shown in the table above, the principles set forth in the BRT Statement are consistent with the principles that already guide BlackRock, as publicly disclosed in the BlackRock Principles and other publications.

We are aware that, in at least one instance, the Staff has declined to grant relief under Rule 14a-8(i)(10) regarding a proposal relating to a company's assessment of the BRT Statement, but we believe that instance to be inapposite. *See McKesson Corp.* (May 26, 2020)*. There, the proposal acknowledged that the company's existing policies and practices were aligned with the BRT Statement and did not seek a report on how governance and management systems "should be altered, if at all," to implement

the BRT Statement. Rather, the proponent in *McKesson* sought a report on how to "better align" those existing systems and the BRT Statement. In this case, by contrast, the Proposal requests a report on how BlackRock's governance and management systems should be altered to fully implement the BRT Statement. For that reason, *McKesson Corp.* is not relevant to the instant Proposal.

As explained above, BlackRock's existing principles, policies and practices are closely aligned with the principles endorsed in the BRT Statement. For that reason, BlackRock does not need to take any further action to implement the BRT Statement. In addition, at a meeting held on January 20, 2021, the Nominating and Governance Committee (the "Committee") of BlackRock's Board of Directors (the "Board") reviewed the Proposal. As discussed further below, the Committee reviewed and considered the Proposal, and found that no additional action or assessment is required by the Proposal, as BlackRock already adheres to and operates in accordance with the principles set forth in the BRT Statement, with oversight and guidance by the Board. Accordingly, the Committee was of the view that the BRT Statement does not subject BlackRock to any new commitments and that no actions were necessary as a result of BlackRock's Chairman and Chief Executive Officer signing the BRT Statement. As such, BlackRock's policies, practices and procedures compare favorably with the actions requested in the Proposal.

Therefore, BlackRock has substantially implemented the Proposal and the Proposal may be excluded under Rule 14a-8(i)(10).

V. The Proposal May be Excluded Pursuant to Rule 14a-8(i)(7) Because the Proposal Deals with Matters Relating to BlackRock's Ordinary Business Operations.

Under Rule 14a-8(i)(7), a shareholder proposal may be excluded from a company's proxy materials if the proposal "deals with matters relating to the company's ordinary business operations." In Exchange Act Release No. 34-40018 (May 21, 1998) (the "1998 Release"), the Commission stated that the policy underlying the ordinary business exclusion rests on two central considerations. The first recognizes that certain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight. The second consideration relates to the degree to which the proposal seeks to "micro-manage" the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment.

A. The Proposal deals with BlackRock's ordinary business operations.

As discussed above, the BRT Statement expresses companies' commitment to delivering value to customers, investing in employees, dealing fairly and ethically with suppliers, supporting the communities in which the companies work and generating long-term value for shareholders. Each of the concerns raised in the BRT Statement, and thus by the Proposal, however, has been specifically recognized by the Staff as ordinary business matters upon which a proposal may be excluded pursuant to Rule 14a-8(i)(7).

1. Relationship with customers.

In accordance with the policy considerations underlying the ordinary business exclusion, the Staff has permitted exclusion of proposals that relate to a company's relationships with its customers. *See, e.g., JPMorgan Chase & Co.* (Feb. 21, 2019) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that requested the board complete a report on the impact to customers of the company's overdraft policies); *AT&T Inc.* (Dec. 28, 2016) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that requested the company provide free tools to customers to block robocalls); *Ford Motor Co.* (Feb. 13. 2013) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that requested removal of dealers that provided poor customer service, noting that "[p]roposals concerning customer relations are generally excludable under rule 14a-8(i)(7)"); *The Coca-Cola Co.* (Jan. 21, 2009, *recon. denied* Apr. 21, 2009) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that requested a report on how the company could provide information to customers regarding the company's products, noting that the proposal "relat[ed] to Coca-Cola's ordinary business operations (i.e., marketing and consumer relations)").

2. Management of the workforce.

The Staff also has permitted exclusion of proposals that relate to management of a company's workforce. *See* 1998 Release (excludable matters "include the management of the workforce, such as the hiring, promotion, and termination of employees"); *see also, e.g., Walmart, Inc.* (Apr. 8, 2019) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that requested the company's board prepare a report evaluating discrimination risk from the company's policies and practices for hourly workers taking medical leave, noting that the proposal "relates generally to the [c]ompany's management of its workforce"); *Yum! Brands, Inc.* (Mar. 6, 2019) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that sought to prohibit the company from engaging in certain employment practices, noting that "the [p]roposal relates generally to the [c]ompany's policies concerning its employees"). Similarly, the Staff has permitted exclusion of shareholder proposals under Rule 14a-8(i)(7) that relate to general employee compensation. *See, e.g., CVS Health Corp.* (Mar. 1, 2017)

(permitting exclusion under Rule 14a-8(i)(7) of a proposal that urged the company's board to adopt principles for minimum wage reform, noting that "the proposal relates to general compensation matters"); *Best Buy Co., Inc.* (Mar. 8, 2016) (same); *The Goldman Sachs Group, Inc.* (Mar. 12, 2010) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that sought to introduce a policy limiting the amount available for payment of employee compensation and benefits each year, noting that "[p]roposals that concern general employee compensation matters are generally excludable under rule 14a-8(i)(7)").

3. Relationships with suppliers.

In addition, the Staff has permitted exclusion under Rule 14a-8(i)(7) of shareholder proposals that relate to a company's relationships with its suppliers. *See, e.g., Walmart Inc.* (Mar. 8, 2018) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that requested a report outlining the requirements suppliers must follow regarding engineering ownership and liability); *Foot Locker, Inc.* (Mar. 3, 2017) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that requested a report outlining the steps the company was taking, or could take, to monitor the use of subcontractors by the company's overseas apparel suppliers, noting that "the proposal relates broadly to the manner in which the company monitors the conduct of its suppliers and their subcontractors."); *Kraft Foods Inc.* (Feb. 23, 2012) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that requested a report detailing the ways the company would assess risk to its supply chain and mitigate the impact of such risk, noting that the proposal concerned "decisions relating to supplier relationships [which] are generally excludable under rule 14a-8(i)(7)"); *Dean Foods Co.* (Mar. 9, 2007) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that requested an independent committee review the company's standards for organic dairy product suppliers, noting that the proposal related to the company's "decisions relating to supplier relationships").

4. Community relations.

Further, the Staff has permitted exclusion under Rule 14a-8(i)(7) of proposals relating to the community impacts of a company's operations. *See, e.g., Amazon.com, Inc.* (Mar. 28, 2019) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that requested an analysis of the community impacts of the company's operations, noting that "the [p]roposal relates generally to 'the community impacts' of the [c]ompany's operations and does not appear to focus on an issue that transcends ordinary business matters"); *Amazon.com, Inc.* (Mar. 16, 2018) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that requested a report on risks relating to the societal impact of the company's growth).

5. Enhancing shareholder value.

Finally, the Staff has permitted the exclusion of proposals relating to the determination and implementation of a company's strategies for enhancing shareholder value. *See, e.g.*, *Bimini Capital Management* (Mar. 28, 2018) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting that the company's board take measures to close the gap between the book value of the company's common shares and their market price); *Ford Motor Co.* (Feb. 24, 2007) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting that the company's chairman "honor his commitments to shareholders to increase stock performance," noting that the proposal appeared to relate to the company's "ordinary business operations (i.e., strategies for enhancing shareholder value)"). Similarly, the Staff has permitted companies to exclude proposals that relate generally to the company's relations with its stockholders. *See, e.g.*, *Conway Inc.* (Jan. 22, 2009) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that requested the company's board take steps to ensure future annual stockholder meetings be distributed via webcast, as "relating to [the company's] ordinary business operations (i.e., shareholder relations and the conduct of annual meetings)").

The Commission has stated that a proposal requesting the dissemination of a report is excludable under Rule 14a-8(i)(7) if the substance of the proposal involves a matter of ordinary business of the company. *See* 1983 Release ("[T]he staff will consider whether the subject matter of the special report or the committee involves a matter of ordinary business; where it does, the proposal will be excludable under Rule 14a-8(c)(7)."); *see also Netflix, Inc.* (Mar. 14, 2016) (permitting exclusion under Rule 14a-8(i)(7) of a proposal that requested a report describing how company management identifies, analyzes and oversees reputational risks related to offensive and inaccurate portrayals of Native Americans, American Indians and other indigenous peoples, how it mitigates these risks and how the company incorporates these risk assessment results into company policies and decision-making, noting that the proposal related to the ordinary business matter of the "nature, presentation and content of programming and film production"). In this case, the Proposal clearly relates to BlackRock's ordinary business matters because it requests a report on how BlackRock's governance and management systems should be altered to address BlackRock's consideration of its customers, employees, suppliers, communities and shareholders, all of which have been deemed quintessential ordinary business matters under Rule 14a-8(i)(7). Accordingly, consistent with the precedent described above, the Proposal may be excluded under Rule 14a-8(i)(7).

B. The Nominating and Governance Committee considered the Proposal and found that it is not sufficiently significant in relation to BlackRock.

We are aware that a proposal may not be excluded under Rule 14a-8(i)(7) if it is determined to focus on a significant policy issue. The fact that a proposal may touch

upon a significant policy issue, however, does not preclude exclusion under Rule 14a-8(i)(7). As stated in Staff Legal Bulletin No. 14I (Nov. 1, 2017) ("SLB 14I"), "whether the significant policy exception applies depends, in part, on the connection between the significant policy issue and the company's business operations." According to the Staff, a "well-developed discussion of the board's analysis" of whether a particular issue is sufficiently significant – because the matter transcends ordinary business and would be appropriate for a shareholder vote – may assist the Staff in its review of no-action requests under Rule 14a-8(i)(7). *See* SLB 14I. In Staff Legal Bulletin No. 14J (Oct. 23, 2018) ("SLB 14J"), the Staff provided a non-exclusive list of factors a board might consider in arriving at its conclusion that an issue is not sufficiently significant in relation to the company. In addition, the Staff stated that a company's request for exclusion should "include a discussion that reflects the board's analysis of the proposal's significance to the company" and should detail "the specific processes employed by the board to ensure that its conclusions are well-informed and well-reasoned." *See* SLB 14I; *see also Apple Inc.* (Dec. 2, 2019 *recon. denied* Jan. 17, 2020) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting a report on risks associated with omitting certain terms from its equal employment opportunity policy, where the board's nominating and corporate governance committee analyzed the proposal and concluded that it did not present a significant policy issue for the company). In addition, in Staff Legal Bulletin No. 14K (Oct. 16, 2019) ("SLB 14K") the Staff reiterated its view of the utility of a board analysis and provided further guidance on certain factors in such analysis.

We are also aware that in the past the Staff has declined to permit exclusion under Rule 14a-8(i)(7) of proposals similar to the Proposal when companies have not provided a board analysis of whether the particular policy issued raised by the proposal was sufficiently significant in relation to the company. *See, e.g.*, *Citigroup Inc.* (Feb. 25, 2020)*; *BlackRock Inc.* (Feb. 25, 2020)*; *Bank of America Corp*. (Feb. 12, 2020)*; *The Goldman Sachs Group, Inc.* (Dec. 30, 2019)*.

In this instance, the Committee evaluated the Proposal and found that it does not present a significant policy issue to BlackRock. In particular, at a meeting held on January 20, 2021, the Committee reviewed the Proposal, taking into consideration its own substantial knowledge of BlackRock, BlackRock's operations and business environment, and input from management. The Committee reviewed the BRT Statement in light of BlackRock's Corporate Governance Guidelines, the BlackRock Principles and other BlackRock policies and practices, as described on pages 7 through 10 of this letter, and found that there is no meaningful difference between BlackRock's actions and the BRT Statement and that BlackRock already operates in accordance with the principles included in the BRT Statement and provides significant disclosure to shareholders and the public about this alignment. Accordingly, the Committee was of the view that the BRT Statement does not subject BlackRock to any new commitments

and therefore the Proposal does not present a significant policy issue to BlackRock and that no further action would be required by the Proposal. In reaching this conclusion, the Committee reviewed the following factors, as described in SLB 14J and 14K, and made the following determinations.

1. BlackRock already has implemented the principles in the BRT Statement and any differences between the Proposal's specific request and BlackRock's actions are insignificant.

As described in SLB 14K, the Committee considered "[w]hether the company has already addressed the issue in some manner, including the differences – or the delta – between the proposal's specific request and the actions the company has already taken, and an analysis of whether the delta presents a significant policy issue for the company." In accordance with the discussion on pages 5 through 11 of this letter, the Committee found that the principles espoused in the BRT Statement are substantially similar to the principles that BlackRock already adheres to by virtue of the BlackRock Principles and other existing policies and practices described above, such that any differences are sufficiently minor as to be insignificant. As a result, the Committee was of the view that any differences between the Proposal's request and BlackRock's actions do not raise a significant policy issue to BlackRock.

2. The Proposal has no bearing on BlackRock's core business activities and financial statements.

Further, because BlackRock already adheres to principles that align with those embodied in the BRT Statement and takes other actions in accordance with the BRT Statement, no further action is required to implement the BRT Statement, and the Proposal would not have a clear impact on BlackRock's core business activities and financial statements.

3. Shareholders have not demonstrated significant interest in the issue presented by the Proposal.

Shareholder interest on matters relating to the Proposal has not been significant. Other than As You Sow, on behalf of the Proponents, and As You Sow, on behalf of the proponents of last year's proposal, shareholders have not expressed any interest on this issue, and BlackRock is not aware of any other shareholders or stakeholders who have requested the type of the report sought by the Proposal or submitted a shareholder proposal to BlackRock regarding a similar topic.

4. *The issue presented by the Proposal has not garnered significant voting support.*

Shareholders voted on a similar proposal during BlackRock's 2020 Annual Meeting of Shareholders and the proposal received only 3.9% support.

After determining that the Proposal's request does not subject BlackRock or the Board to any new commitments, the Committee determined that no actions are required by the Proposal and that the Proposal was not significant to BlackRock.

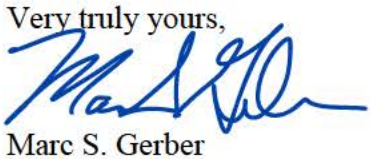
Accordingly, for the reasons discussed above, the Proposal should be excluded from BlackRock's 2021 proxy materials pursuant to Rule 14a-8(i)(7) as relating to BlackRock's ordinary business operations.

VI. Conclusion

Based upon the foregoing analysis, BlackRock respectfully requests that the Staff concur that it will take no action if BlackRock excludes the Proposal from the 2021 proxy materials.

Should the Staff disagree with the conclusions set forth in this letter, or should any additional information be desired in support of BlackRock's position, we would appreciate the opportunity to confer with the Staff concerning these matters prior to the issuance of the Staff's response. Please do not hesitate to contact the undersigned at (202) 371-7233.

Very truly yours,



Marc S. Gerber

Enclosures

cc: R. Andrew Dickson, III
Managing Director & Corporate Secretary
BlackRock, Inc.

Andrew Behar
CEO
As You Sow

EXHIBIT A
(see attached)

AS YOU SOW
2150 Kittredge St. Suite 450
Berkeley, CA 94704
www.asyousow.org
BUILDING A SAFE, JUST, AND SUSTAINABLE WORLD SINCE 1992

VIA FEDEX & EMAIL

December 9, 2020

R. Andrew Dickson, III
Corporate Secretary
BlackRock, Inc.
40 East 52nd Street
New York, New York 10022

Dear Mr. Dickson,

As You Sow is filing a shareholder proposal on behalf of Fortunat & Shoshana Mueller (S) ("Proponent"), a shareholder of BlackRock, Inc. for inclusion in BlackRock, Inc.'s 2021 proxy statement and for consideration by shareholders in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934.

A letter from the Proponent authorizing *As You Sow* to act on its behalf is enclosed. A representative of the Proponent will attend the stockholder meeting to move the resolution as required.

We are available to discuss this issue and are optimistic that such a discussion could result in resolution of the Proponent's concerns.

To schedule a dialogue, please contact me at abehar@asyousow.org. Please send all correspondence to me **with a copy to shareholderengagement@asyousow.org**.

Sincerely,

Andrew Behar
CEO

Enclosures
- Shareholder Proposal
- Shareholder Authorization

cc: invrel@blackrock.com

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.[1]

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. BlackRock has the highest ratio of coal investments compared to overall size among the ten largest fund managers.[2] 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.[3]
- 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

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[1] https://www.blackrock.com/corporate/investor-relations/larry-fink-ceo-letter
[2] https://2degrees-investing.org/wp-content/uploads/2019/11/MASTER_Fossil_Fuel_Ownership_Nov_2018.pdf, p.2
[3] https://coalexit.org/sites/default/files/download_public/COP25_PR3.pdf, p.8

reduction goals, even where independent experts advance a strong business and economic case for supporting the proposal.[4]

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.

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[4] https://static1.squarespace.com/static/5d4df99c531b6d0001b48264/t/5f698600bdf79a75853d431c/1600751130906/ClimateintheBoardroom_MA_2020, p.31

11/27/2020 | 10:06:41 AM PST

Andrew Behar
CEO
As You Sow
2150 Kittredge St., Suite 450
Berkeley, CA 94704

Re: Authorization to File Shareholder Resolution

Dear Andrew Behar,

As of the date of this letter, the undersigned authorizes As You Sow (AYS) to file, co-file, or endorse the shareholder resolution identified below on Stockholder's behalf with the identified company, and that it be included in the proxy statement as specified below, in accordance with Rule 14-a8 of the General Rules and Regulations of the Securities and Exchange Act of 1934.

The Stockholder: Fortunat & Shoshana Mueller (S)
Company: BlackRock, Inc.
Annual Meeting/Proxy Statement Year: 2021
Resolution Subject: Implementation plan for new Business Roundtable "Purpose of a Corporation"

The Stockholder has continuously owned over $2,000 worth of company stock, with voting rights, for over a year. The Stockholder intends to hold the required amount of stock through the date of the company's annual meeting in 2021.

The Stockholder gives As You Sow the authority to deal on the Stockholder's behalf with any and all aspects of the shareholder resolution, including designating another entity as lead filer and representative of the shareholder. The Stockholder understands that the Stockholder's name may appear on the company's proxy statement as the filer of the aforementioned resolution, and that the media may mention the Stockholder's name related to the resolution.

Sincerely,

DocuSigned by:
Fortunat Mueller
067E13983D784F0...

Name: Fortunat Mueller

Title: President

AS YOU SOW
2150 Kittredge St. Suite 450
Berkeley, CA 94704
www.asyousow.org
BUILDING A SAFE, JUST, AND SUSTAINABLE WORLD SINCE 1992

VIA FEDEX & EMAIL

December 9, 2020

R. Andrew Dickson, III
Corporate Secretary
BlackRock, Inc.
40 East 52nd Street
New York, New York 10022

Dear Mr. Dickson,

As You Sow is co-filing a shareholder proposal on behalf of the following BlackRock, Inc. shareholders for action at the next annual meeting of BlackRock, Inc.

- Krista Brewer, Individual
- NJ Blessing Decd Tr Mar Rev GST EX (S)

Shareholders are co-filers of the enclosed proposal with Fortunat & Shoshana Mueller (S), who is the Proponent of the proposal. *As You Sow* has submitted the enclosed shareholder proposal on behalf of Proponent for inclusion in the 2021 proxy statement in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities Exchange Act of 1934. *As You Sow* is authorized to act on Krista Brewer's or NJ Blessing Decd Tr Mar Rev GST EX's behalf with regard to withdrawal of the proposal.

Letters authorizing *As You Sow* to act on co-filers' behalf are enclosed. A representative of the lead filer will attend the stockholders' meeting to move the resolution as required.

To schedule a dialogue, please contact me at abehar@asyousow.org. Please send all correspondence to me **with a copy to shareholderengagement@asyousow.org**.

Sincerely,

Andrew Behar
CEO

Enclosures
- Shareholder Proposal
- Shareholder Authorization

cc: invrel@blackrock.com

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.[1]

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. BlackRock has the highest ratio of coal investments compared to overall size among the ten largest fund managers.[2] 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.[3]
- 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

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[1] https://www.blackrock.com/corporate/investor-relations/larry-fink-ceo-letter
[2] https://2degrees-investing.org/wp-content/uploads/2019/11/MASTER_Fossil_Fuel_Ownership_Nov_2018.pdf, p.2
[3] https://coalexit.org/sites/default/files/download_public/COP25_PR3.pdf, p.8

reduction goals, even where independent experts advance a strong business and economic case for supporting the proposal.[4]

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.

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[4] https://static1.squarespace.com/static/5d4df99c531b6d0001b48264/t/5f698600bdf79a75853d431c/1600751130906/ClimateintheBoardroom_MA_2020, p.31

December 5, 2020
Andrew Behar
CEO
As You Sow
2150 Kittredge St., Suite 450
Berkeley, CA 94704

Re: Authorization to File Shareholder Resolution

Dear Mr. Behar,

The undersigned ("Stockholder") authorizes *As You Sow* to file or co-file a shareholder resolution on Stockholder's behalf with the named Company for inclusion in the Company's 2021 proxy statement, in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934. The resolution at issue relates to the below described subject.

Stockholder: Krista Brewer, Individual

Company: BlackRock, Inc.

Annual Meeting / Proxy Statement Year: 2021

Subject: Implementation plan for new Business Roundtable "Purpose of a Corporation"

The Stockholder has continuously owned over $2,000 worth of Company stock, with voting rights, for over a year. The Stockholder intends to hold the required amount of stock through the date of the Company's annual meeting in 2021.

The Stockholder gives *As You Sow* the authority to address, on the Stockholder's behalf, any and all aspects of the shareholder resolution, including drafting and editing the proposal, representing Stockholder in engagements with the Company, entering into any agreement with the Company, and designating another entity as lead filer and representative of the shareholder. The Stockholder understands that the Stockholder's name may appear on the company's proxy statement as the filer of the aforementioned resolution, and that the media may mention the Stockholder's name in relation to the resolution.

The Stockholder further authorizes *As You Sow* to send a letter of support of the resolution on Stockholder's behalf.

Sincerely,

DocuSigned by:
Krista Brewer
7FC5DA3D641C4CC...

Name: Krista Brewer

Title: Shareholder

11/4/2020 | 11:18:14 AM PST

Andrew Behar
CEO
As You Sow
2150 Kittredge St., Suite 450
Berkeley, CA 94704

Re: Authorization to File Shareholder Resolution

Dear Andrew Behar,

As of the date of this letter, the undersigned authorizes As You Sow (AYS) to file, co-file, or endorse the shareholder resolution identified below on Stockholder's behalf with the identified company, and that it be included in the proxy statement as specified below, in accordance with Rule 14-a8 of the General Rules and Regulations of the Securities and Exchange Act of 1934.

The Stockholder: NJ Blessing Decd Tr Mar Rev GST EX (S)
Company: BlackRock, Inc.
Annual Meeting/Proxy Statement Year: 2021
Resolution Subject: Implementation plan for new Business Roundtable "Purpose of a Corporation"

The Stockholder has continuously owned over $2,000 worth of company stock, with voting rights, for over a year. The Stockholder intends to hold the required amount of stock through the date of the company's annual meeting in 2021.

The Stockholder gives As You Sow the authority to deal on the Stockholder's behalf with any and all aspects of the shareholder resolution, including designating another entity as lead filer and representative of the shareholder. The Stockholder understands that the Stockholder's name may appear on the company's proxy statement as the filer of the aforementioned resolution, and that the media may mention the Stockholder's name related to the resolution.

Sincerely,

DocuSigned by:
Joan Blessing, Trustee
E1BB38B9D7B940B...

Name: Joan Blessing, Trustee

Title: Trustee

BlackRock.

December 14, 2020

BY EMAIL

Andrew Behar
CEO
As You Sow
abehar@asyousow.org

RE: Notice of Deficiency

Dear Mr. Behar:

I am writing to acknowledge receipt of the shareholder proposal (the "Proposal") submitted by As You Sow, on behalf of Fortunat & Shoshana Mueller (S) (the "Proponent"), to BlackRock, Inc., ("BlackRock") pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended, for inclusion in BlackRock's proxy materials for the 2021 Annual Meeting of Stockholders (the "Annual Meeting").

Under Rule 14a-8, in order to be eligible to submit a proposal for the Annual Meeting, a proponent must have continuously held at least $2,000 in market value of BlackRock common stock for at least one year, preceding and including the date that the proposal was submitted. For your reference, a copy of Rule 14a-8 is attached to this letter as Exhibit A.

Our records indicate that the Proponent is not a registered holder of BlackRock common stock. Please provide a written statement from the record holder of the Proponent's shares (usually a bank or broker) and a participant in the Depository Trust Company (DTC) verifying that, at the time the Proponent submitted the Proposal, which was December 10, 2020, the Proponent had beneficially held the requisite number of shares of BlackRock common stock continuously for at least one year preceding and including December 10, 2020.

In order to determine if the bank or broker holding the Proponent's shares is a DTC participant, the Proponent can check the DTC's participant list, which is currently available on the Internet at http://www.dtcc.com/client-center/dtc-directories. If the bank or broker holding the Proponent's shares is not a DTC participant, the Proponent also will need to obtain proof of ownership from the DTC participant through which the shares are held. The Proponent should be able to find out who this DTC participant is by asking the Proponent's broker or bank. If the DTC participant knows the Proponent's broker or bank's holdings, but does not know the

Proponent's holdings, the Proponent can satisfy Rule 14a-8 by obtaining and submitting two proof of ownership statements verifying that, at the time the Proposal was submitted, the required amount of shares were continuously held for at least one year – one from the Proponent's broker or bank confirming the Proponent's ownership, and the other from the DTC participant confirming the broker or bank's ownership. For additional information regarding the acceptable methods of proving the Proponent's ownership of the minimum number of shares of BlackRock common stock, please see Rule 14a-8(b)(2) in Exhibit A.

Rule 14a-8 requires that the documentation be postmarked or transmitted electronically to us no later than 14 calendar days from the date you receive this letter. Once we receive this documentation, we will be in a position to determine whether the Proposal is eligible for inclusion in the proxy materials for the Annual Meeting. BlackRock reserves the right to seek relief from the Securities and Exchange Commission as appropriate.

Very truly yours,

R. Andrew Dickson, III
Managing Director and Corporate Secretary

Enclosure

BlackRock.

December 14, 2020

BY EMAIL

Andrew Behar
CEO
As You Sow
abehar@asyousow.org

RE: Notice of Deficiency

Dear Mr. Behar:

I am writing to acknowledge receipt of the shareholder proposal (the "Proposal") submitted by As You Sow, on behalf of NJ Blessing Decd Tr Mar GST EX (S) (the "Proponent"), to BlackRock, Inc., ("BlackRock") pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended, for inclusion in BlackRock's proxy materials for the 2021 Annual Meeting of Stockholders (the "Annual Meeting").

Under Rule 14a-8, in order to be eligible to submit a proposal for the Annual Meeting, a proponent must have continuously held at least $2,000 in market value of BlackRock common stock for at least one year, preceding and including the date that the proposal was submitted. For your reference, a copy of Rule 14a-8 is attached to this letter as Exhibit A.

Our records indicate that the Proponent is not a registered holder of BlackRock common stock. Please provide a written statement from the record holder of the Proponent's shares (usually a bank or broker) and a participant in the Depository Trust Company (DTC) verifying that, at the time the Proponent submitted the Proposal, which was December 10, 2020, the Proponent had beneficially held the requisite number of shares of BlackRock common stock continuously for at least one year preceding and including December 10, 2020.

In order to determine if the bank or broker holding the Proponent's shares is a DTC participant, the Proponent can check the DTC's participant list, which is currently available on the Internet at http://www.dtcc.com/client-center/dtc-directories. If the bank or broker holding the Proponent's shares is not a DTC participant, the Proponent also will need to obtain proof of ownership from the DTC participant through which the shares are held. The Proponent should be able to find out who this DTC participant is by asking the Proponent's broker or bank. If the DTC participant knows the Proponent's broker or bank's holdings, but does not know the

Proponent's holdings, the Proponent can satisfy Rule 14a-8 by obtaining and submitting two proof of ownership statements verifying that, at the time the Proposal was submitted, the required amount of shares were continuously held for at least one year – one from the Proponent's broker or bank confirming the Proponent's ownership, and the other from the DTC participant confirming the broker or bank's ownership. For additional information regarding the acceptable methods of proving the Proponent's ownership of the minimum number of shares of BlackRock common stock, please see Rule 14a-8(b)(2) in Exhibit A.

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Very truly yours,

R. Andrew Dickson, III
Managing Director and Corporate Secretary

Enclosure

BlackRock.

December 14, 2020

BY EMAIL

Andrew Behar
CEO
As You Sow
abehar@asyousow.org

RE: Notice of Deficiency

Dear Mr. Behar:

I am writing to acknowledge receipt of the shareholder proposal (the "Proposal") submitted by As You Sow, on behalf of Krista Brewer (the "Proponent"), to BlackRock, Inc., ("BlackRock") pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended, for inclusion in BlackRock's proxy materials for the 2021 Annual Meeting of Stockholders (the "Annual Meeting").

Under Rule 14a-8, in order to be eligible to submit a proposal for the Annual Meeting, a proponent must have continuously held at least $2,000 in market value of BlackRock common stock for at least one year, preceding and including the date that the proposal was submitted. For your reference, a copy of Rule 14a-8 is attached to this letter as Exhibit A.

Our records indicate that the Proponent is not a registered holder of BlackRock common stock. Please provide a written statement from the record holder of the Proponent's shares (usually a bank or broker) and a participant in the Depository Trust Company (DTC) verifying that, at the time the Proponent submitted the Proposal, which was December 10, 2020, the Proponent had beneficially held the requisite number of shares of BlackRock common stock continuously for at least one year preceding and including December 10, 2020.

In order to determine if the bank or broker holding the Proponent's shares is a DTC participant, the Proponent can check the DTC's participant list, which is currently available on the Internet at http://www.dtcc.com/client-center/dtc-directories. If the bank or broker holding the Proponent's shares is not a DTC participant, the Proponent also will need to obtain proof of ownership from the DTC participant through which the shares are held. The Proponent should be able to find out who this DTC participant is by asking the Proponent's broker or bank. If the DTC participant knows the Proponent's broker or bank's holdings, but does not know the

Proponent's holdings, the Proponent can satisfy Rule 14a-8 by obtaining and submitting two proof of ownership statements verifying that, at the time the Proposal was submitted, the required amount of shares were continuously held for at least one year – one from the Proponent's broker or bank confirming the Proponent's ownership, and the other from the DTC participant confirming the broker or bank's ownership. For additional information regarding the acceptable methods of proving the Proponent's ownership of the minimum number of shares of BlackRock common stock, please see Rule 14a-8(b)(2) in Exhibit A.

Rule 14a-8 requires that the documentation be postmarked or transmitted electronically to us no later than 14 calendar days from the date you receive this letter. Once we receive this documentation, we will be in a position to determine whether the Proposal is eligible for inclusion in the proxy materials for the Annual Meeting. BlackRock reserves the right to seek relief from the Securities and Exchange Commission as appropriate.

Very truly yours,

R. Andrew Dickson, III
Managing Director and Corporate Secretary

Enclosure

Fidelity Clearing & Custody Solutions ®

100 Crosby Parkway KCIJ
Covington, KY 41015
December 24, 2020

Dear Fortunat and Shoshana Mueller:

This letter is in response to your request concerning proof of ownership related to the Blackrock holdings in your Fidelity Individual account ending *** .

Fidelity Investments, a DTC participant, acts as the custodian for Fortunat and Shoshana Mueller. As of and including December 10, 2020, Fortunat and Shoshana Mueller held, and has continuously held 17 shares of Blackrock (cusip 09247X101) common stock for at least a year.

I hope this information is helpful. If you should have any questions, please reach out to your Registered Investment Advisor, Veris Wealth Partners at (212) 349-4172.

Sincerely,

Kara Blais

Kara Blais
Client Services Manager

Our file: W293235-24DEC20

GLENMEDE

December 21, 2020

Dear NJ Blessing Decd Tr Mar Rev GST EX (S),

Glenmede Trust Company, a DTC participant, acts as the custodian for NJ Blessing Decd Tr Mar Rev GST EX (S). As of and including December 10, 2020, NJ Blessing Decd Tr Mar Rev GST EX (S) held, and has continuously held [5] shares of Blackrock (CUSIP: 09247X101) common stock for at least a year.

Best Regards,

Phyllis Simirglia
Securities Operations
Managing Director

The Glenmede Trust Company, N.A.
1650 Market Street, Suite 1200 Philadelphia, PA 19103-7391
telephone: 215-419-6000 fax: 215-419-6199 www.glenmede.com

EXHIBIT B
(see attached)

BR Business Roundtable

Statement on the Purpose of a Corporation

Americans deserve an economy that allows each person to succeed through hard work and creativity and to lead a life of meaning and dignity. We believe the free-market system is the best means of generating good jobs, a strong and sustainable economy, innovation, a healthy environment and economic opportunity for all.

Businesses play a vital role in the economy by creating jobs, fostering innovation and providing essential goods and services. Businesses make and sell consumer products; manufacture equipment and vehicles; support the national defense; grow and produce food; provide health care; generate and deliver energy; and offer financial, communications and other services that underpin economic growth.

While each of our individual companies serves its own corporate purpose, we share a fundamental commitment to all of our stakeholders. We commit to:

- Delivering value to our customers. We will further the tradition of American companies leading the way in meeting or exceeding customer expectations.

- Investing in our employees. This starts with compensating them fairly and providing important benefits. It also includes supporting them through training and education that help develop new skills for a rapidly changing world. We foster diversity and inclusion, dignity and respect.

- Dealing fairly and ethically with our suppliers. We are dedicated to serving as good partners to the other companies, large and small, that help us meet our missions.

- Supporting the communities in which we work. We respect the people in our communities and protect the environment by embracing sustainable practices across our businesses.

- Generating long-term value for shareholders, who provide the capital that allows companies to invest, grow and innovate. We are committed to transparency and effective engagement with shareholders.

Each of our stakeholders is essential. We commit to deliver value to all of them, for the future success of our companies, our communities and our country.

Released: August 19, 2019
Signatures Updated: September 2019, December 2019, February 2020, April 2020, June 2020, August 2020, September 2020 and October 2020.

Kevin J. Wheeler
President & Chief Executive Officer
A. O. Smith Corporation

Daniel P. Amos
Chairman and CEO
Aflac

Nicholas K. Akins
Chairman, President and CEO
American Electric Power

Robert Ford
President and Chief Executive Officer
Abbott

Roger K. Newport
Chief Executive Officer
AK Steel Corporation

Stephen J. Squeri
Chairman and CEO
American Express

Julie Sweet
Chief Executive Officer Designate
Accenture

John O. Larsen
Chairman, President & CEO
Alliant Energy

Thomas Bartlett
President and Chief Executive Officer
American Tower Corporation

Carlos Rodriguez
President and CEO
ADP

Lee Styslinger, III
Chairman & CEO
Altec, Inc.

James M. Cracchiolo
Chairman and Chief Executive Officer
Ameriprise Financial

Mike Burke
Chairman and CEO
AECOM

Jeffrey P. Bezos
Founder and Chief Executive Officer
Amazon

Gail Koziara Boudreaux
President and CEO
Anthem, Inc.

Andrés Gluski
President and CEO
The AES Corporation

Doug Parker
Chairman & CEO
American Airlines

Greg Case
CEO
Aon

Tim Cook
CEO
Apple

Brian Moynihan
Chairman and CEO
Bank of America

Todd Gibbons
Chief Executive Officer
BNY Mellon

Eric Foss
Chairman, President & CEO
Aramark

José (Joe) E. Almeida
Chairman, President and Chief
Executive Officer
Baxter International Inc.

Frédéric B. Lissalde
President and Chief
Executive Officer
BorgWarner Inc.

Alan B. Colberg
President and CEO
Assurant

Philip Blake
President Bayer USA
Bayer USA

Rich Lesser
CEO
Boston Consulting Group

Randall Stephenson
Chairman and Chief
Executive Officer
AT&T Inc.

Brendan P. Bechtel
Chairman & CEO
Bechtel Group, Inc.

Robert Dudley
Group CEO
BP plc

John Stankey
Chief Executive Officer
AT&T Inc.

Corie Barry
Chief Executive Officer
Best Buy Co., Inc.

Bernard Looney
Chief Executive Officer
BP

John A. Hayes
Chairman, President
and CEO
Ball Corporation

Laurence D. Fink
Chairman and Chief
Executive Officer
BlackRock, Inc.

Giovanni Caforio
Chairman and Chief
Executive Officer
Bristol Myers Squibb

Bob Biesterfeld
President and Chief
Executive Officer
C.H. Robinson Worldwide

Michael F. Neidorff
Chairman, President, and CEO
Centene Corporation

Chuck Robbins
Chairman and CEO
Cisco Systems, Inc.

Maurice R. Greenberg
Chairman and CEO
C.V. Starr & Co., Inc.

W. Anthony Will
President & Chief
Executive Officer
CF Industries

Michael L. Corbat
Chief Executive Officer
Citigroup, Inc.

Kewsong Lee
Co-Chief Executive Officer
The Carlyle Group

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Chairman and Chief Executive
Officer
Chevron Corporation

Lourenco Goncalves
Chairman, President and Chief
Executive Officer
Cleveland-Cliffs, Inc.

David Gitlin
President and Chief
Executive Officer
Carrier Global Corporation

Brian Niccol
Chairman and Chief Executive
Officer
Chipotle Mexican Grill

Hubertus M. Mühlhäuser
Chief Executive Officer
CNH Industrial

D. James Umpleby III
Chairman and Chief
Executive Officer
Caterpillar, Inc.

Evan G. Greenberg
Chairman & CEO
Chubb

James Quincey
Chairman and Chief
Executive Officer
The Coca-Cola Company

Robert E. Sulentic
President & CEO
CBRE Group, Inc.

David M. Cordani
President and Chief
Executive Officer
Cigna

Brian Humphries
Chief Executive Officer
Cognizant

Brian L. Roberts
Chairman & CEO
Comcast Corporation

Larry Merlo
President & CEO
CVS Health

Bob Chapek
Chief Executive Officer
The Walt Disney Company

Ryan M. Lance
Chairman & CEO
ConocoPhillips Company

Hal Yoh
Chair and CEO
Day & Zimmermann

Jim Fitterling
Chief Executive Officer
Dow

Wendell P. Weeks
Chairman, Chief Executive Officer & President
Corning Incorporated

John May
Chief Executive Officer
Deere & Company

Lynn Good
Chairman, President & CEO
Duke Energy

James C. Collins, Jr.
Chief Executive Officer
Corteva Agriscience

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Chairman and CEO
Dell Technologies

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Executive Chair of the Board & CEO
DuPont de Nemours, Inc.

Tom Linebarger
Chairman and CEO
Cummins Inc.

Punit Renjen
Global CEO
Deloitte

JM Lawrie
Chairman, President, and CEO
DXC Technology

Brett White
Executive Chairman & CEO
Cushman & Wakefield

Ed Bastian
Chief Executive Officer
Delta Air Lines, Inc.

Mike Salvino
President and Chief Executive Officer
DXC Technology

Mark J. Costa
Chairman and CEO
Eastman Chemical Company

Carmine Di Sibio
Global Chairman & CEO
EY

James "Jim" D. Farley, Jr.
President and Chief Executive Officer
Ford Motor Company

Craig Arnold
Chairman and CEO
EATON

Frederick W. Smith
Chairman & CEO
FedEx Corporation

Lachlan K. Murdoch
Executive Chairman & CEO
Fox Corporation

Pedro J. Pizarro
President & CEO
Edison International

Gary Norcross
Chairman, President & CEO
FIS

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Vice Chairman, President and Chief Executive Officer
Freeport-McMoRan Inc.

David A. Ricks
Chairman and Chief Executive Officer
Eli Lilly and Company

Revathi Advaithi
Chief Executive Officer
Flex

Sonia Syngal
Chief Executive Officer
Gap Inc.

Christopher M. Crane
President and Chief Executive Officer
Exelon Corporation

Carlos M. Hernandez
Chief Executive Officer
Fluor Corporation

Phebe Novakovic
Chairman and CEO
General Dynamics Corporation

Darren W. Woods
Chairman and CEO
Exxon Mobil Corporation

James P. Hackett
President and CEO
Ford Motor Company

Mary Barra
Chairman & CEO
General Motors Company

David M. Solomon
Chairman and Chief
Executive Officer
The Goldman Sachs Group,
Inc

Steven R. Swartz
President and CEO
HEARST Corporation

Ginni Rometty
Chairman, President, and Chief
Executive Officer
IBM Corporation

Bradley J. Preber
Interim CEO
Grant Thornton LLP

Craig Menear
Chairman, CEO and President
The Home Depot

Arvind Krishna
Chief Executive Officer
IBM Corporation

Deanna M. Mulligan
President and CEO
Guardian Life Insurance
Company of America

Darius Adamczyk
Chairman and CEO
Honeywell

Charles Phillips
Chief Executive Officer
Infor

Gerald W. Evans
CEO
Hanesbrands Inc.

Enrique Lores
President and CEO
HP Inc.

Robert H. Swan
Chief Executive Officer
Intel Corporation

Stephen B. Bratspies
Chief Executive Officer
Hanesbrands Inc.

Bruce Broussard
President and CEO
Humana Inc.

Mark S. Sutton
Chairman and CEO
International Paper Co.

Dinesh C. Paliwal
President and Chief
Executive Officer
HARMAN International

Mike Petters
President and Chief Executive
Officer
Huntington Ingalls Industries

Michael I. Roth
Chairman and Chief Executive
Officer
Interpublic Group

Linda H. Apsey
President & CEO
ITC Holdings Corp.

Beth E. Mooney
Chairman & CEO
KeyCorp

William M. Brown
Chairman & Chief
Executive Officer
L3Harris Technologies, Inc.

Steve Demetriou
Chair and CEO
Jacobs

Christopher M. Gorman
Chairman, Chief Executive
Officer, and President
KeyCorp

Beth E. Ford
President and CEO
Land O'Lakes, Inc.

Samuel R. Allen
Chairman and CEO
John Deere

Bruce E. Grewcock
CEO and Chairman of the
Board
Kiewit Corporation

Roger A. Krone
Chairman and Chief
Executive Officer
Leidos

Alex Gorsky
Chairman of the Board
and Chief Executive
Officer
Johnson & Johnson

Michael Hsu
Chairman of the Board and
Chief Executive Officer
Kimberly-Clark

Stuart Miller
Executive Chairman
Lennar Corporation

George R. Oliver
Chairman and CEO
Johnson Controls

Bill Thomas
Global Chairman and CEO
KPMG LLP

James D. Taiclet
President and Chief Executive
Officer
Lockheed Martin Corporation

Jamie Dimon
Chairman and CEO
JPMorgan Chase & Co.

Lynne M. Doughtie
Chairman and CEO
KPMG LLP

Marillyn A. Hewson
Chairman, President and CEO
Lockheed Martin Corporation

Bhavesh V. (Bob) Patel
Chief Executive Officer
LyondellBasell Industries

Arne M. Sorenson
President and Chief
Executive Officer
Marriott International, Inc.

Kevin Sneader
Global Managing Partner
McKinsey & Company

Jeff Gennette
Chairman & Chief
Executive Officer
Macy's, Inc.

Roger W. Crandall
Chairman, President & Chief
Executive Officer
MassMutual

Geoffery S. Martha
Chief Executive Officer
Medtronic, Inc.

Mark Trudeau
President and CEO
Mallinckrodt Pharmaceuticals

Ajay Banga
President & CEO
Mastercard

Omar Ishrak
Chairman & CEO
Medtronic plc

Lee M. Tillman
Chairman, President and CEO
Marathon Oil Corporation

Ynon Kreiz
Chairman and Chief
Executive Officer
Mattel, Inc.

Michel Khalaf
President & Chief
Executive Officer
MetLife

Gary R. Heminger
Chairman and CEO
Marathon Petroleum
Corporation

Lawrence E. Kurzius
Chairman, President and CEO
McCormick and Company,
Inc.

Sanjay Mehrotra
President & CEO
Micron Technology

Michael Hennigan
President and CEO
Marathon Petrolem
Corporation

Brian Tyler
Chief Executive Officer
McKesson Corporation

Satya Nadella
Chief Executive Officer
Microsoft Corporation

Ken Moelis
Chairman & CEO
Moelis & Company

Ted Mathas
Chairman, President and CEO
New York Life Insurance Co.

Brian Chambers
President and Chief Executive Officer
Owens Corning

Raymond McDaniel Jr.
President and Chief Executive Officer
Moody's

David L. Stover
Chairman and CEO
Noble Energy, Inc.

Dan Shulman
President and Chief Executive Officer
PayPal, Inc.

James P. Gorman
Chairman & CEO
Morgan Stanley

Kathy Warden
Chairman, Chief Executive Officer and President
Northrop Grumman Corporatior

Ramon Laguarta
Chairman and CEO
PepsiCo

Greg Brown
Chairman & CEO
Motorola Solutions

Steve Fisher
President & CEO
Novelis

Dr. Albert Bourla
Chief Executive Officer
Pfizer Inc.

Adena T. Friedman
President and CEO
Nasdaq

Mauricio Gutierrez
President & CEO
NRG Energy, Inc.

Greg C. Garland
Chairman and CEO
Phillips 66

Thomas C. Nelson
Chairman, President & CEO
National Gypsum Company

Safra Catz
CEO
Oracle

Marc B. Lautenbach
President and Chief Executive Officer
Pitney Bowes

Daniel J. Houston
Chairman, President
and CEO
Principal

Gregory J. Hayes
Chief Executive Officer
Raytheon Technologies
Corporation

Christian Klein
Chief Executive Officer
SAP

David S. Taylor
Chairman of the Board,
President and Chief
Executive Officer
The Procter & Gamble
Company

Thomas A. Kennedy
Chairman & CEO
Raytheon Company

Bill McDermott
Chief Executive Officer
SAP

Tricia Griffith
President & CEO
Progressive Corporation

Blake D. Moret
Chairman and Chief
Executive Officer
Rockwell Automation

Jim Goodnight
CEO
SAS Institute

Bob Moritz
Chairman
PwC

Douglas L. Peterson
President and CEO
S&P Global

Tamara L. Lundgren
President and Chief Executive
Officer
Schnitzer Steel Industries, Inc.

Steve Mollenkopf
Chief Executive Officer
Qualcomm Incorporated

Marc Benioff
Chair & Chief Executive
Officer
Salesforce

Jeffrey W. Martin
Chairman & CEO
Sempra Energy

Earl C. Austin, Jr.
President and Chief
Executive Officer
Quanta Services

Keith Block
Co-CEO
Salesforce

Lisa Davis
CEO
Siemens Corporation USA

Egon Durban
Silver Lake

Kevin Lobo
Chairman & CEO
Stryker

Richard K. Templeton
Chairman, President and
Chief Executive Officer
Texas Instruments
Incorporated

Stewart Butterfield
Co-Founder and Chief
Executive Officer
Slack Technologies, Inc.

John F. Fish
Chairman & CEO
Suffolk

Marc N. Casper
Thermo Fisher Scientific
Chairman, President and Chief
Executive Officer

Thomas A. Fanning
Chairman, President
and CEO
Southern Company

Margaret M. Keane
Chief Executive Officer and
Member of the Board of
Directors
Synchrony

Rob Speyer
President & CEO
Tishman Speyer

James M. Loree
President & Chief
Executive Officer
Stanley Black & Decker

Brian Cornell
Chairman & CEO
Target

Hal Lawton
President and Chief Executive
Officer
Tractor Supply Company

Michael L. Tipsord
Chairman, President &
Chief Executive Officer
State Farm

Russell K. Girling
President and Chief
Executive Officer
TC Energy

Alan D. Schnitzer
Chairman and Chief
Executive Officer
The Travelers Companies Inc.

James P. Keane
President and CEO
Steelcase Inc.

LeRoy T. Carlson, Jr.
CEO
Telephone & Data Systems, Inc.

M. Troy Woods
Chairman, President & CEO
TSYS

Peter J. Davoren
President & CEO
Turner Construction Co.

David Abney
Chairman and Chief Executive Officer
UPS

Robert F. Smith
Founder, Chairman and CEO
Vista Equity Partners

Lance M. Fritz
Chairman, President & CEO
Union Pacific

Stuart Parker
CEO
USAA

Curt Morgan
President & CEO
Vistra Energy

Scott Kirby
Chief Executive Officer
United Airlines

Wayne Peacock
President and Chief Executive Officer
USAA

Stefano Pessina
Executive Vice Chairman and CEO
Walgreens Boots Alliance

Oscar Munoz
Chief Executive Officer
United Airlines

Mortimer J. Buckley
Chairman & CEO
Vanguard

Doug McMillon
President and CEO
Walmart, Inc.

Gregory J. Hayes
Chairman & CEO
United Technologies Corporation

Scott G. Stephenson
Chairman, President and Chief Executive Officer
Verisk Analytics

Charles W. Scharf
Chief Executive Officer and President
Wells Fargo

Carol Tomé
Chief Executive Officer
UPS

Alfred F. Kelly, Jr.
Chairman and Chief Executive Officer
Visa Inc.

John J. Engel
Chairman, President and CEO
WESCO International, Inc.

Hikmet Ersek
Chief Executive Officer
Western Union

Michael J. Kasbar
Chairman, President and CEO
World Fuel Services Corporation

Michael Roman
Chairman of the Board and Chief Executive Officer
3M

John F. Barrett
Chairman, President & CEO
Western & Southern Financial Group

Jim Kavanaugh
CEO
World Wide Technology

Marc Bitzer
Chairman and Chief Executive Officer
Whirlpool Corporation

John Visentin
Vice Chairman and Chief Executive Officer
Xerox Corporation

Alan S. Armstrong
President and Chief Executive Officer
The Williams Companies, Inc.

Patrick Decker
President and CEO
Xylem Inc.

Abidali Z. Neemuchwala
CEO & Managing Director
Wipro Limited

Anders Gustafsson
Chief Executive Officer
Zebra Technologies Corporation

Aneel Bhusri
Co-Founder & CEO
Workday, Inc.

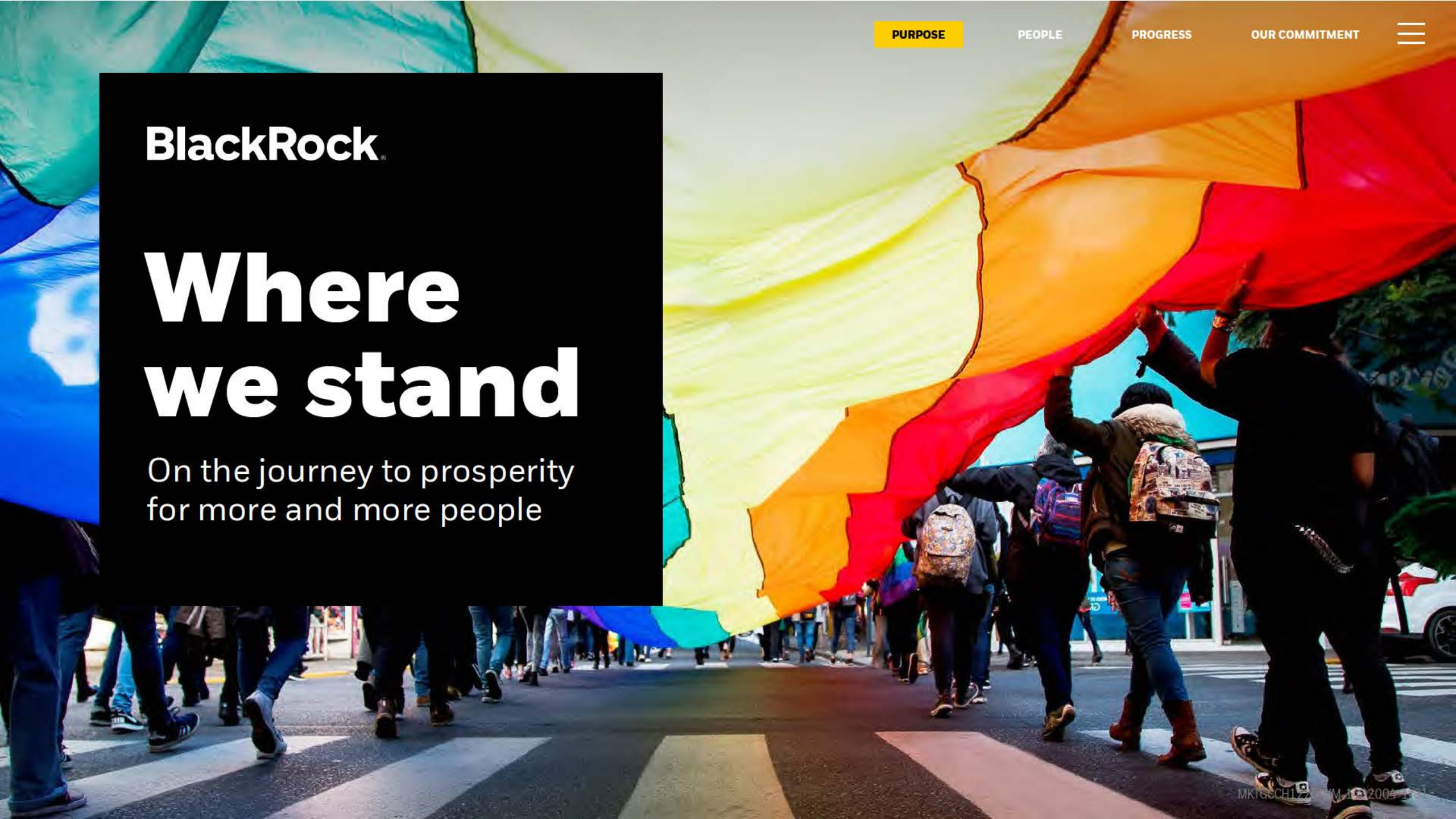
Kristin Peck
Chief Executive Officer
Zoetis Inc.

EXHIBIT C
(see attached)

BlackRock.

Where we stand

On the journey to prosperity for more and more people



Our purpose

We help more and more people experience financial well-being.

Building better financial futures.

That's what we do. BlackRock has spent the last 32 years working to help people build better financial futures.

Our clients, and the people they serve, are saving for retirement, paying for their children's educations, buying homes and starting businesses. Their investments are also helping to strengthen the global economy: support businesses small and large; finance infrastructure projects that connect and power cities; and facilitate innovations that drive progress.

Throughout our history, we have continued to find new ways to contribute to a more equitable, resilient future for all of our stakeholders: our clients, our employees, our shareholders and the people in communities where we live and operate.

The immense hardships brought on by COVID-19 have only strengthened our conviction in our purpose of helping more and more people achieve financial wellbeing. Here's how we do it:

01

We help millions of people build savings that serve them throughout their lives.

Read more >

02

We make investing easier and more affordable.

Read more >

03

We advance sustainable investing because our conviction is it delivers better outcomes for investors.

Read more >

04

We contribute to a more resilient economy that benefits more people.

Read more >

The people driving our purpose.

Who we are

16,000
People

82
Languages

38
Countries

We're investors

Putting to work the hard-earned savings of people and institutions around the world in global markets.

We're technologists

Constantly innovating to bring convenience, transparency and precision to investing.

We're team members

Challenging each other to grow and develop professionally so we can have a greater impact.

We're involved citizens, community members, friends, and family members

Speaking out for diversity, equity and inclusion of all underrepresented groups, and working to reduce our environmental footprint.

Source: BlackRock, as of September 30, 2020.

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We're all connected by one thing.

We all show up to help more and more people experience financial well-being.

Who we serve

We serve people, with unique life goals.

By investing on our clients' behalf, we help more and more people experience financial well-being throughout their lives.

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Individuals and families

Providing choice for those investing for retirement, a new home or a child's education.

Financial advisors

Helping people at all income levels invest for their future.

Educational and nonprofit organizations

Working to educate more students and solve social challenges.

Pension plans

Managing retirement savings of teachers, doctors, workers and small business owners.

Insurance companies

Supporting people during life's most difficult moments.

Governments

Financing new hospitals, schools, roads and other projects helping drive economic growth.

What we do and how we do it.

We help millions of people build savings that serve them throughout their lives.

People deserve financial security across their lifetimes. That means meeting expenses today, saving enough to live on throughout retirement, and being prepared for all of life's moments in between.

These goals have become harder to achieve as longer lives, diminished safety nets and lower savings rates have left many people struggling to figure out how to pay for it all. Nearly half of investors say money is a source of stress.[1]

BlackRock has a long history of innovation in retirement. We pioneered the target-date fund, an all-in-one portfolio that automatically adjusts for different stages of an investor's life. Today, we're developing solutions across the savings lifecycle, with products and programs that make saving for and spending in retirement a seamless experience.

Helping more people retire securely

35 million[2]

US retirement savers invest in our products through their defined contribution plans.

10 million[2]

pension savers in the UK are invested in our products through defined benefit or defined contribution plans.

7 million[3]

retirement savers in the Netherlands invested through our products and pension assets.

1 billion[4]

savers and 300 million retirees across Asia Pacific are invested with us or receive payouts through pension assets.

1 Source: BlackRock "People & Money" survey, fielded between November 2019 and January 2020, with 26,814 respondents in 18 markets. Read more about methodology.
2 Source: BlackRock, as of November 1, 2020; **3** Source: 2018 Dutch pension plan annual reports; Dutch Central Bureau of Statistics; Swiss GRSV Report 2020;
4 Source: BlackRock, as of 12/31/2019.

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A secure retirement for port workers

Forth Ports owns and manages the largest ports on the Thames, in London, and in Scotland. And its London facility at Tilbury is also the UK's greenest port. The company, founded 50 years ago, employs more than 1,100 people – engineers, electricians, cargo managers, safety supervisors, technicians and others who collectively handle some 41 million tonnes of cargo every year.

This relatively small workforce has an outsized impact on the British economy. Forth Port's employees literally move the food, medicines, grain, automobiles, timber, fuel and machinery that make the country's businesses and consumers tick. Their output adds £950 million of economic value and helps improve the quality of life for millions of people.

Their financial well-being, across their lifetimes, depends in part on the retirement security provided by their employer's pension plan. BlackRock has worked closely with Forth Ports to manage a large part of its pension plan that helps employees save for retirement by investing in stocks, bonds, real estate and infrastructure such as bridges, renewable power – and even ports. In that way, these investments can help support Forth Ports' employees in retirement by giving them access to opportunities in the local and global economies they helped to build.

Source: Forth Ports and BlackRock, as of September 30, 2020. The company mentioned above is shown for illustrative purposes only and is not meant to be a recommendation to buy or sell any security or be depicted as investment advice in any capacity.

UPS delivers a savings program for workers

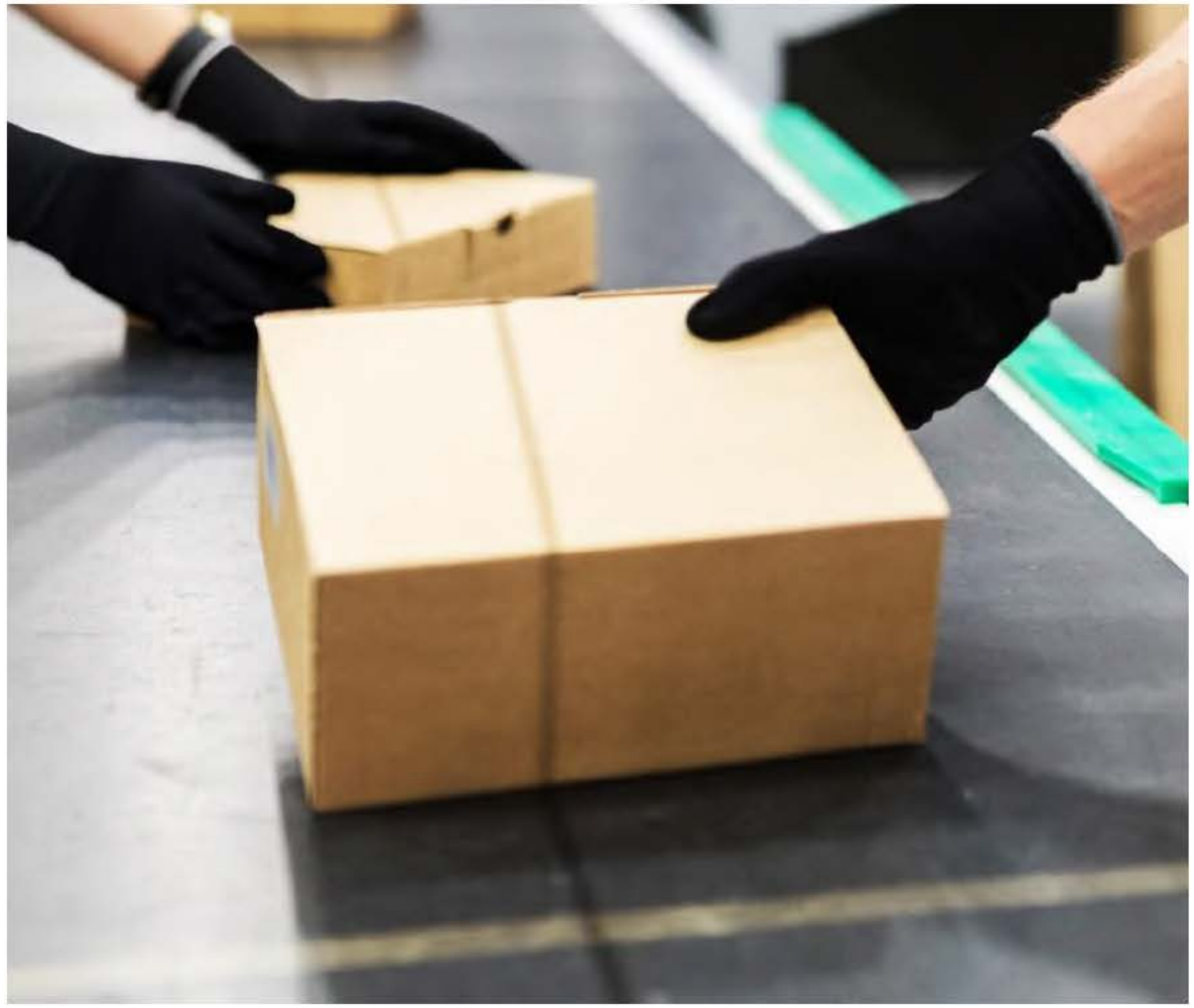
Before people can begin to save for retirement, they need to meet basic and unexpected needs. Yet a 2018 report[1] shows that 40% of U.S. adults don't have enough savings to even cover a $400 emergency expense.

To tackle this issue, we created BlackRock's Emergency Savings Initiative in the U.S. The goal: to help low- and moderate-income workers around the world access strategies and tools to make it easier to set aside savings. Our program recruits partners from the fintech, nonprofit and academic worlds to work with companies across sectors, like UPS, to test new solutions and implement proven ones.

UPS was an early participant. To address their workers' financial well-being, the global shipping and logistics firm partnered with Commonwealth, a nonprofit, and Voya Financial, their retirement plan administrator, to help 90,000 of their U.S.-based non-union employees save for emergencies within their current retirement accounts. Eligible employees can elect to divert up to 5% of their paycheck to the emergency account, and can invest the money in the same options offered in their 401(k).

COVID-19 has only deepened the urgency of the savings crisis. Building an immediate financial safety net has a long-term impact by protecting against sudden hardship, making it possible to invest for the future.

1 https://www.federalreserve.gov/publications/files/2018-report-economic-well-being-us-households-201905.pdf. Source: BlackRock and UPS, as of November 1, 2020. The company mentioned above is shown for illustrative purposes only and is not meant to be a recommendation to buy or sell any security or be depicted as investment advice in any capacity.



We make investing easier and more affordable.

Investing is out of reach for too many people. That's why BlackRock is helping to make financial markets accessible to all savers.

We simplify investing by making it easier and more convenient for anyone to access market opportunities anywhere in the world. Through our iShares exchange traded funds (ETFs),[1] we're revolutionizing what it means to be an investor.

We offer choice, so that our clients can have a wide range of options and choose what works best for them. Our solutions empower investors to take control of their financial futures.

900+ iShares ETFs globally opens doors to:

- **Broad market exposures**
- **Stock exposures to 42 countries**
- **Sustainable ETFs**
- **263 bond ETFs**
- **Access to big economic trends like genomics and cybersecurity**

Source: BlackRock, as of November 30, 2020. **1** Based on a global line-up of 900+ ETFs and $2.32 trillion in assets under management as of September 30, 2020.

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Bringing the world to Brazilians

iShares ETFs play an important role in bringing market access to people and countries that have traditionally put less emphasis on individual investing. That's particularly true in many emerging markets, where a growing middle class seeks to save for retirement and other goals for the first time.

In Brazil, for example, investing in foreign stocks was largely limited to professionals. Individuals, if they invested at all, tended to stick with domestic bonds, which provided an attractive return but only when interest rates were high.

BlackRock's iShares introduced Brazil's first local ETF in 2008, enabling Brazilians to access a diversified[1] bundle of local stocks in a single fund, at low cost. Over time, we have added access to markets beyond Brazil, and as investing has gained in popularity, so have ETFs.

Just this year, in a further advance, regulators in Brazil permitted international ETFs to be listed on the Brazilian exchange, in local currency. This has opened the door to world markets, putting more investors in control of their financial futures.

Source: BlackRock, as of November 1, 2020.

1 Diversification does not guarantee a profit or eliminate the potential for loss.

Helping a UK charity fulfill its mission

Part of BlackRock's purpose is helping our clients achieve their purpose. In the case of the hundreds of organizations we serve, that means investing and managing the portfolios that help them pursue their objectives.

One example: St John Ambulance responds to health emergencies, supports local U.K. communities, and saves lives. As a volunteer-led health and first aid charity, they have relieved people from injury, illness, distress and suffering for over 140 years. They treat and transport thousands of patients each year, and in times of crisis are England's national health reserve.

On April 1, 2020, St John Ambulance changed its entire delivery to support the national COVID-19 emergency response and fight the virus. They recruited and trained new volunteers and upskilled current volunteers to perform duties for England's health and emergency ambulance services and other pressure-relieving activities. And from this past March to September, St John Ambulance volunteers gave over 200,000 hours of skilled volunteer support to patients.

BlackRock has been managing St John Ambulance's entire investment portfolio for over 15 years. Our support for their investment strategy makes it easier for St John Ambulance to maximize their focus and resources on fulfilling their philanthropic mission.

Source: St John Ambulance and BlackRock, as of September 30, 2020.

We advance sustainable investing because our conviction is it delivers better outcomes for investors.

Climate change is one of the top long-term issues our clients raise with us. As risks mount and the world transitions to a low carbon economy, they want to know how to address this risk in their portfolios.

We believe that an investment approach that considers climate risk could lead to better long-term outcomes.[1]

We are one of the top providers of sustainable investment options. Through iShares ETFs, investors can choose from 131[2] environment, social and governance (ESG) funds to help meet goals from screening out specific sectors to proactively supporting positive change.

We make sustainability the standard for how we manage our clients' money. We ask the companies we invest in to demonstrate how they will create value through the energy transition and deploy client capital to businesses that actively promote sustainability.

We built powerful technology to help investors understand how sustainability impacts risks and returns.

Investing sustainably for clients[3]

$152 billion
in active and indexed sustainable strategies

$21 billion
invested in green bonds

1,260
engagements with companies on environmental issues

>21 million
homes powered (or equivalent) from infrastructure investments in renewable energy

1 Source: As of February 28, 2020.
blackrock.com/us/individual/insights/blackrock-investment-institute/sustainability-in-portfolio-construction
2 Source: BlackRock, as of November 30, 2020.
3 Source for all data: BlackRock, as of September 30, 2020.
Dollar figures are U.S. dollars.

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Generating energy and jobs in Norway

Pension funds and other institutions are increasingly investing in renewable energy because they care about climate change and seek alternative sources of return in their portfolios. BlackRock helps these clients invest directly in wind and solar infrastructure projects around the world that support the transition to a low-carbon economy.

Our current portfolio of over 270 solar and wind projects has globally generated the equivalent energy of powering 21 million homes and removing 25.6 million cars off the road; they also provide approximately 18,000 jobs. One of these is Guleslettene Wind Farm, on the west coast of Norway, in which BlackRock took a 100% equity ownership stake in 2018. By early 2021, the Wind Farm will run on 47 turbines and the company expects to provide one million homes with green energy and save 25 million metric tons of water each year.

The project will also continue to bring large-scale benefits to the community, including 500 construction and operational management jobs; it has also pledged $730,000 to build cross-country ski tracks for the local community, further contributing to the local economy.

Source: BlackRock and Guleslettene Wind Farm, as of September 30, 2020. The company mentioned above is shown for illustrative purposes only and is not meant to be a recommendation to buy or sell any security or be depicted as investment advice in any capacity. Forecasts are based on estimates and assumptions, there is no guarantee that they will be achieved.

A pension insurer goes all-in on ESG

As society has demanded more sustainable practices from governments and companies, sustainable investing has transitioned from a niche strategy to playing a central role in portfolios. BlackRock works closely with clients to identify whether they have the right products for their needs.

Ilmarinen is Finland's largest private pension insurance company, serving 1.2 million people. No newcomer to ESG investing, Ilmarinen has made sustainability an integral part of its overall philosophy and investment strategy for decades. Recognizing the risks and opportunities of climate change, Ilmarinen has set ambitious targets to mitigate its impact. They hold about €50 billion in ESG-integrated investments and are in the process of reorienting their entire portfolio to solutions that are both sustainable and in line with performance objectives.

One of the historical limitations to implementing a holistic sustainability strategy has been the lack of sustainable benchmarks and products. That's changing with big advances in ESG data and analytics that have made it possible to assess companies through an ESG lens and evolve indexes to integrate climate considerations. Ilmarinen worked with BlackRock to build a foundation that aims to help them advance their total sustainable approach.

Source: Ilmarinen and BlackRock, as of December 31, 2019.

We contribute to a more resilient economy that benefits more people.

We invest our clients' money in companies of all types and sizes, in every region of the world — helping those companies grow and create jobs, and enabling economies and societies to prosper.

We believe the most successful companies are those that serve all stakeholders – shareholders, employees, clients and their communities. That's why we use our voice as shareholders to urge companies to focus on important issues like climate change, the fair treatment of workers, and equality.

We empower investors to make better, safer decisions through our advanced risk management technology, making markets and the economy stronger.

And we recognize the transition to a more sustainable economy must be just and inclusive, so we are working through the BlackRock Foundation to expand financial security for low income groups who face barriers to economic participation and are most vulnerable to disruption from climate change.

Committed to a more prosperous and equitable world[1]

1,500+

BlackRock voted against management more than 1,500 times for insufficient diversity.

$10 million

We are supporting opportunity with a $10 million commitment to racial justice organizations.

$260 billion

Through our Emerging Broker program, we traded $260 billion of securities with diverse U.S. brokers in 2020.

13%/16%

Our 2020 U.S. Analyst class is 13% Black and 16% Latinx building a more diverse pipeline of future leaders.

Source: **1** BlackRock, as of September 30, 2020.

From garage start-up to big UK job creator

The investments we make on behalf of our clients can have a positive impact on the real economy: When companies grow, they generate not just investment returns but they also contribute to economic prosperity in their communities.

The Hut Group (THG) is an end-to-end technology platform that takes beauty and wellness brands direct to consumers online. Based in Manchester, they are one of Britain's biggest start-up successes. But it began, as many such companies do, in a garage with one person, founder Matt Moulding.

Nine years ago, BlackRock's private credit investors saw THG's potential and invested over £500 million. We have continued to be a key supporter of the company's growth, helping them navigate important business decisions and connecting them with potential partners. Today, THG employs 8,000 people locally, with plans to build out a business campus that will employ 10,000 more.
Our partnership has been one of the key enablers of success for a significant employer in England's North West.

Sources: BlackRock, The Hut Group, as of September 30, 2020.
The company mentioned above is shown for illustrative purposes only and is not meant to be a recommendation to buy or sell any security or be depicted as investment advice in any capacity.

Seeking local solutions for global challenges

BlackRock's reach is broad but we're also local, with 16,000 employees participating in the communities where we work and live.

We opened Atlanta Innovation Hub (iHub) in 2018 with a distinct objective: to investigate global financial challenges and work locally to leverage technology to find scalable solutions. Atlanta has a thriving tech sector, top universities and a diverse, skilled population. We set a target of hiring 1,000 people in the next five years, the majority of whom would be hired locally.

Atlanta is also a city with large economic disparities. We have rolled out a strategy that connects social impact, university engagement, client outreach and employee involvement. Employees are encouraged to live their own purpose by giving back right at home. For example, we're partnering with a local organization to teach financial literacy in schools, helping young people understand what it means to budget, save and invest.

Atlanta is BlackRock's sixth iHub – others are spread across the Americas, Europe and Asia. We see these locations as "laboratories" of our long-term commitment to make a difference in the communities where we operate while building our own future with diverse local talent.

Source: BlackRock, as of September 30, 2020.

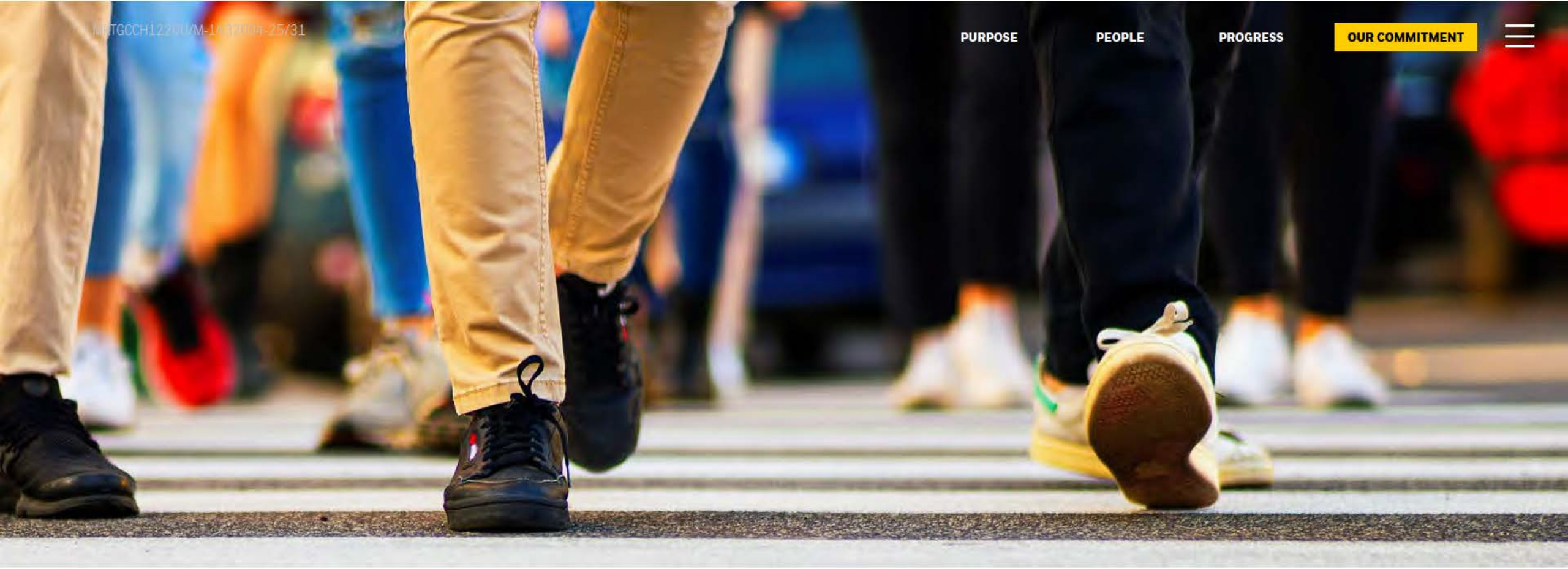
Serving investors by serving customers

We believe that companies that consider all of their stakeholders - shareholders, customers, and employees – have the potential to deliver strong long-term results for investors.

That trait is one of the things that drew us to Indonesia's Bank Rakyat, a company that serves its investors by serving customers. Indonesia has a strong entrepreneurial culture, yet only half of its 275 million people have a bank account. Bank Rakyat gives many of them access to capital through microloans. Because its customers are dispersed, Rakyat reaches them through more than 500,000 independent agents, the only Indonesian bank to do so cost effectively.

The company's focus is on building customer trust as much or even more than maximizing profits for shareholders, in our view. During COVID-19, for example, they offered loan forbearance; even in normal times they are known to solve borrower problems over a cup of tea. Their approach is working: only 1% of its microloans defaulted, and it has turned in a higher return-on-equity than many developed market banks – showing how financial inclusion can also help deliver shareholder value. It's an approach, and an outcome, aligned with BlackRock's, which is one of the reasons we are a large investor in the bank.

Source: Bank Rakyat and BlackRock, as of September 30, 2020. The company mentioned above is shown for illustrative purposes only and is not meant to be a recommendation to buy or sell any security or be depicted as investment advice in any capacity. Past performance is not a guarantee of future results.



Where we stand.

Our 2020 sustainability actions

We believe in the power of transparency to hold ourselves and others accountable for continuous progress.

In January 2020, BlackRock wrote to clients outlining our conviction that sustainability risk – and climate risk in particular – is investment risk. We committed to making sustainability a key component of the way BlackRock manages risk, constructs portfolios, designs products, and engages with companies.

Here are a few highlights from this year.

Source: **1** As of September 30, 2020.

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Integrating ESG

We delivered on our goal of having 100% of our approximately 5,600 active and advisory BlackRock strategies ESG integrated – covering more than US$2.7 trillion in assets.[1]

Increasing access

BlackRock introduced 93 new sustainable solutions in 2020, helping clients allocate $39 billion[1] to sustainable investment strategies, which helped increase our sustainable assets by 41% from December 31, 2019.

New climate risk tools

Aladdin Climate launched, setting a new standard for assessing environmental risks across all asset classes in investment portfolios.

Source: **2** Data is January 1, 2020 to October 31, 2020. Global Use of SASB Standards. Available at: https://www.sasb.org/global-use/ Learn more about TCFD at: https://www.fsb-tcfd.org/

*https://www.blackrock.com/corporate/about-us/our-2020-sustainability-actions

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Improving ESG data

We added nearly 1,200 sustainability metrics to Aladdin and established data partnerships with Sustainalytics, Refinitiv and Rhodium to help clients better understand ESG and physical climate risks.

Pioneering sustainability

BlackRock pioneered new sustainable strategies with the first dedicated ESG solution in Mexico and, in the U.S., the first index-based target-date ESG funds, and the first suite of single-ticker ESG asset allocation ETFs.

Intensifying engagement and transparency

244 carbon-intensive companies risk voting action in 2021 absent significant progress on integrating climate risk into their business models; increased transparency with more than 50 Vote Bulletins on high-profile votes and saw a 288% increase in Sustainability Accounting Standards Board (SASB) reporters since our call for SASB and reporting aligned with the Task Force on Climate-related Disclosures (TCFD).[2]

Read the full report* >

Learn more about BlackRock's Corporate Sustainability
http://www.blackrock.com/corporate/sustainability

What others are saying

BlackRock's sustainability and transparency have been recognized by a range of third-party organizations and publications.

That said, our progress is ongoing – and the bar is always being raised. We look forward to sharing more of our journey in the coming months.

Fortune

Ranked by Fortune Magazine in fifth place among the top 50 companies in the world that drive a "measurable social impact" through their business activities.[1]

Forbes and JUST Capital

Named one of America's Most JUST Companies for 2020, according to Forbes and JUST Capital, ranking #1 in Capital Markets[2]

Dow Jones

Included by Dow Jones in its index of the most sustainable companies in North America[3]

1 BlackRock was ranked #5 on Fortune Magazine's Change the World list. Fortune Magazine, in partnership with the Shared Value Initiative built the Change the World list on the premise that the profit motive can inspire companies to tackle society's unmet needs. The 2020 list includes 50 companies identified as tackling the world's most urgent problems. All companies are eligible for nomination. Nominees are assessed on four criteria: measurable social impact, business results, degree of innovation and corporate integration. Read more on methodology. https://fortune.com/franchise-list-page/methodology-change-the-world-2020/

2 The 2020 list of America's Most JUST Companies celebrates U.S. corporations that outperform their peers in the Russell 1000 on the priorities of the American people – including issues like fair pay, ethical leadership, good benefits and work-life balance, equal opportunity, customer treatment and privacy, community support, environmental impact, and delivering shareholder return. By balancing the needs of all stakeholders, JUST 100 companies demonstrate that profits and purpose can go hand in hand. Read more about methodology. https://justcapital.com/our-methodology/

3 The Dow Jones Sustainability Indices track the stock performance of the world's leading companies in terms of economic, environmental and social criteria. The starting universe is the S&P Global BMI (approx. 10,000 companies). DJSI applies a transparent, rules-based component selection process based on the companies' Total Sustainability Scores from the SAM Corporate Sustainability Assessment (CSA). In 2019, a record 1166 companies participated. The CSA results, alongside S&P DJI's index methodology, form the basis of the construction and maintenance of the entire DJSI series. Read more here: https://www.spglobal.com/esg/csa/indices/djsi-index-family

4 Calvert Research and Management compiled Barron's list. Starting with the 1,000 largest publicly traded companies by market value, they ranked each by how they performed for five key constituencies -- shareholders, employees, customers, community and the planet -- basing on 230 performance metrics addressing environmental, social, and corporate governance factors.

5 The PRI Reporting Framework is a key step in the journey towards building a common language and industry standard for reporting responsible investment (RI) activities. Its primary objective is to enable signatory transparency on RI activities and facilitate dialogue between investors and their clients, beneficiaries and other stakeholders. As a signatory, BlackRock commits to uphold all six principles and has submitted a 2020 PRI Transparency Report and has received PRI's Assessment of that report in 25 investment categories.

For full methodology, see:
https://www.barrons.com/articles/sustainable-companies-methods-behind-the-rankings-51549656584

For the full report and methodology, see:
https://www.blackrock.com/corporate/literature/publication/blk-pri-public-transparency-report-2020-web.pdf

*https://www.blackrock.com/corporate/literature/publication/blk-awards-and-recognition-web.pdf

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Barron's

Rated one of Barron's 100 Most Sustainable U.S. Companies[4]

Principles of Responsible Investment

Rated A+/A in every category in the 2020 Principles of Responsible Investment (PRI) Assessment Report[5]

Read more about what others are saying about BlackRock*

About the "People & Money" Survey: One of the largest global surveys ever conducted on the topic of financial well-being, BlackRock People & Money interviewed 26,814 respondents, in 18 nations. In North America: the US and Canada; in Europe: Germany, Italy, Switzerland, France, Belgium, Netherlands, Denmark, Spain, Sweden and the UK; In Latin America: Brazil and Mexico; in Asia: China, Hong Kong, Japan, Singapore and Taiwan. Respondents were ages 25-74 and either the primary or shared decision maker for savings and investments in the household. No income or asset qualifications were used in selecting the survey's participants. Executed with the support of Kelton Global, an independent research consultancy, the survey took place online from November 2019 to January 2020. The margin of error on this global sample is +/- .598%. BlackRock hired Kelton Global to conduct the survey. Participants were not paid to participate in the survey. Read the full report here: https://www.blackrock.com/corporate/insights/people-and-money.

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This material may contain "forward-looking" information that is not purely historical in nature.

The opinions expressed are those of BlackRock as of December 2020 and subject to change.

Risks: The value of investments and the income from them can fall as well as rise and are not guaranteed. You may not get back the amount originally invested. Past performance is not a reliable indicator of current or future results and should not be the sole factor of consideration when selecting a product or strategy.

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Prepared by BlackRock, Inc.

BlackRock®

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EXHIBIT D
(see attached)

Principles

The BlackRock principles

BlackRock's purpose is to help more and more people experience financial well-being.

We rely on our principles to guide how we interact with each other, our clients, the communities in which we operate, and all of our other stakeholders.

These principles represent our core values, our aspirations, and our cultural language – lived and embraced by every employee at our firm.

We are a fiduciary to our clients.

Our clients' interests come first.

The fiduciary mindset is the bedrock of our identity. It reflects our **integrity** and the **unbiased advice** we give our clients.

And it's what inspires us to come to work every day and **help people build better futures.**

We are One BlackRock.

We work collaboratively, **without silos and without turf**, to create the best outcomes for our clients, our firm, and the communities where we operate.

- A **diverse workforce** is indispensable to our creativity and success. It's how we answer the biggest questions and solve the toughest problems.
- An **inclusive, equitable environment** makes us thrive. It enables us to draw on expertise and unique experiences from across the firm and bring out the best in each other.
- **Aladdin unifies us**, creating a **common language** for us to interpret the world, the markets, and our clients' needs.

We are passionate about performance.

We are relentless about finding better ways to serve our clients and improve our firm. Since our founding, **innovation** has been at the center of how we deliver performance and stay ahead of our clients' needs.

- We have **continually reinvented** our firm and our industry to help people achieve their goals.
- We are **lifelong students** – of markets, of technology, and of the world.

We take emotional ownership.

The people we serve entrust us to help them prepare for the future. Our culture is defined by the **deep sense of responsibility** we feel to our clients and to each other.

- In everything we do – from the **investment performance** we deliver to the **technology** we develop – we are emotionally invested in our clients' futures.
- We are equally invested in the success of **our firm and our colleagues**. We hold ourselves and each other to the **highest standards of excellence.**

We are committed to a better future.

We are **long-term** thinkers, focused on helping people build a better tomorrow. We are deeply invested in the success of **all of our stakeholders** – our clients, our employees, our shareholders, and the communities where we operate – and we run our business **sustainably and responsibly.**

- At the companies we invest in for our clients, we advocate for **sustainable and responsible business practices** that drive **long-term value.**
- We always strive to serve more people, and to find new and innovative ways to help them achieve **financial well-being.**

Learn more about BlackRock

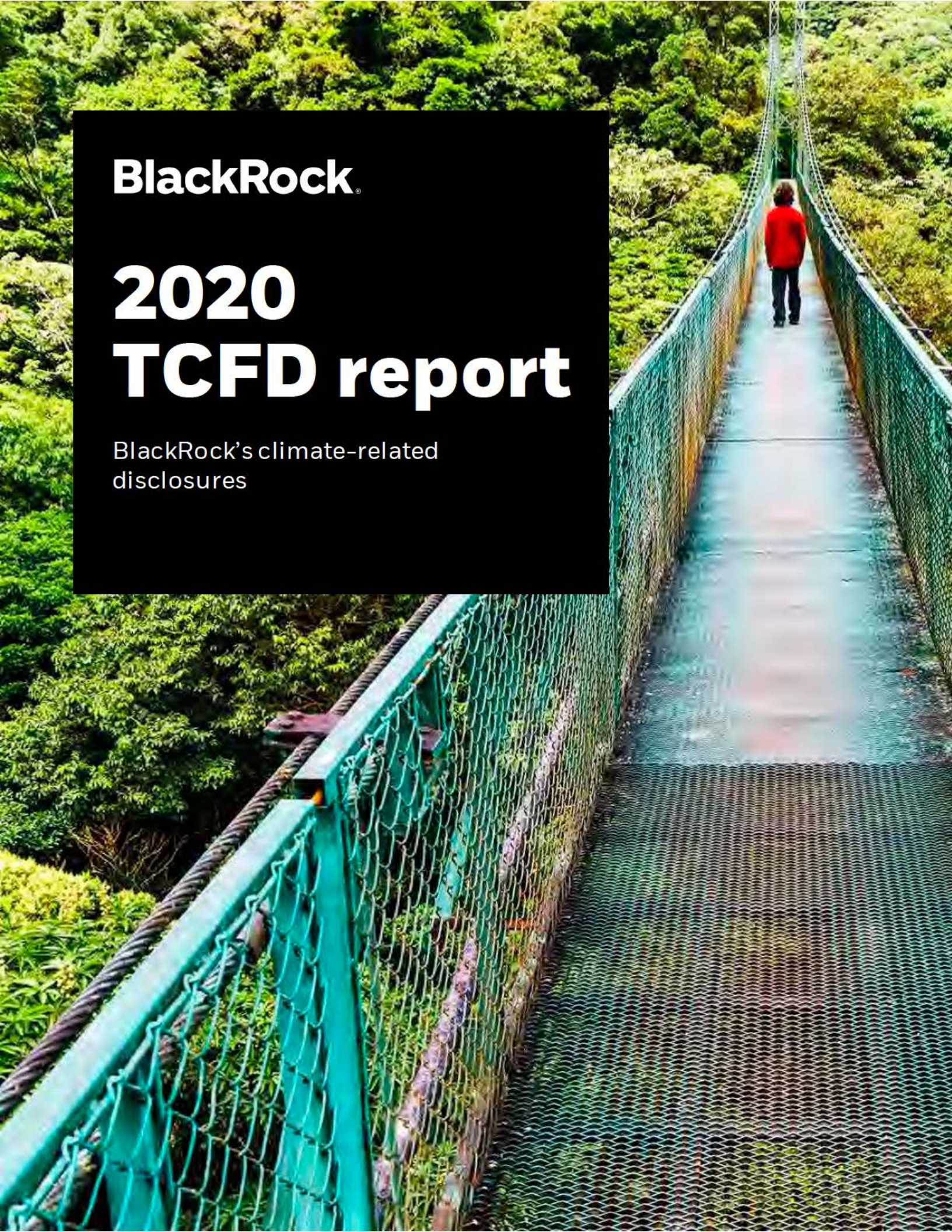
- About us
- Leadership
- Responsibility

EXHIBIT E
(see attached)

BlackRock.

2020 TCFD report

BlackRock's climate-related disclosures



Contents

This Task Force on Climate-Related Financial Disclosures ("TCFD")-aligned report is being provided for BlackRock, Inc. (together, with its subsidiaries, unless the context otherwise indicates, "BlackRock" or the "Company" or the "firm"). All data in this report is as of September 30, 2020 unless otherwise noted. The policies and practices referred to in this report, unless otherwise noted, are adopted by BlackRock on a group-wide basis and applied in relevant jurisdictions in which BlackRock operates.

To our stakeholders

Sam Tortora
Global Head of Investor Relations & Corporate Sustainability

Alexis Rosenblum, CFA
Chief Corporate Sustainability Officer

BlackRock has always been focused on investing in and evolving our business to deliver better financial futures for our clients. Our actions – and the culture that drives them – are rooted in our purpose: to help more and more people experience financial well-being.

BlackRock was founded in 1988 with a vision to manage investment risk differently. BlackRock's founders witnessed the stock market crash of 1987 and the impact on so many people who lost their life-long savings. These people were invested in the markets, but not sufficiently aware of the risks associated with their investments. BlackRock filled a gap by bringing rigorous risk analysis and risk management to the investment industry through innovative technology and a fiduciary mindset.

This focus on risk management and technology continues as a core component of our culture and permeates how we approach climate-related risk – both as a corporation and as an asset manager on behalf of millions of people investing for their futures.

As the world moves towards a net zero economy, we are committed to helping investors prepare their portfolios for this massive transition – and in doing so, helping play a role in accelerating that future. BlackRock manages one of the largest renewable power investment platforms in the world, and we are a leading investor in green bonds on behalf of our clients. We have grown our sustainable solutions to 141 index offerings and 71 dedicated active sustainable strategies, making sustainable investing more accessible than ever before. Through Aladdin®, we are building new technology capabilities to help BlackRock and our clients quantify and measure the impact of climate change and other sustainability-related risks on their portfolios.

It is our belief that effective disclosure can lead to real change in how companies are managed for the benefit of all stakeholders. BlackRock was an early participant on the TCFD and we continue to promote the adoption of its climate-related financial disclosure framework. We are encouraged by the growing number of companies reporting on the recommendations, and by the support from policy makers and exchanges around the world.

As advocates for transparency, we recognize the importance of BlackRock meeting the same standards of disclosure that we ask of the companies our clients are invested in. We are pleased to share BlackRock's first report on climate-related risks and opportunities, aligned to the TCFD recommendations. We view this as an important milestone on our journey towards providing more transparency to our stakeholders on key sustainability issues.

As the sustainability landscape evolves, with new information and greater standardization, we will continue to refine and expand our disclosures. We look forward to feedback on how we can progress and strengthen our efforts, as we work towards a more equitable and resilient future for all of our stakeholders.

Sincerely,

Sam & Alexis

Executive summary

BlackRock is a publicly traded investment management firm that provides investment and technology services to institutional and retail clients worldwide. The assets BlackRock manages – our assets under management ("AUM") – belong to our clients who rely on us to act in their best interests. Our clients range from pension funds providing for nurses, teachers, and factory workers, to individuals saving to buy a home or pay for their children's education. We invest our clients' money in companies of all types and sizes, in every region of the world, helping those companies grow and create jobs.

As long-term investors, our clients expect us to account for and be guided by the long-term risks that affect their investments. Clients of every kind and in every part of the world are asking how to prepare their portfolios for physical climate risks to property and communities as well as the transition to a net zero economy.

Sustainable investing is our standard

As of November 2020, 100% of active portfolios and advisory strategies are environmental, social, and governance ("ESG") integrated meaning that portfolio managers are accountable for managing exposure to material ESG risks and documenting where in the investment process these risks are considered.

In addition, BlackRock manages $152 billion in sustainable investment strategies[3] on behalf of our clients. BlackRock's iShares® Sustainable ETF range is the largest in the industry, both in terms of AUM and the number of investment options we provide to investors. The growth of sustainable iShares is helping to grow the market for sustainable investing by expanding access to sustainable investment options to more people. Additionally, BlackRock's Real Assets team manages one of the world's largest renewable power platforms, with over $10 billion of current and future investments supporting over 270 wind and solar projects globally.[4] Other examples of sustainable investment strategies include environmentally-aware cash management, circular economy, green bonds, and low-carbon transition readiness.

Engaging on climate risk & opportunities

Investment stewardship is how BlackRock uses its voice as an investor to promote sound corporate governance and business practices to help maximize long-term shareholder value for our clients. For several years, BlackRock Investment Stewardship ("BIS") has engaged with companies on the need to enhance disclosure of climate-related risks and how they will impact business models over time. During the year-ended June 30, 2020, BIS focused on 440 carbon-intensive companies, representing approximately 60% of the Scope 1 and 2 emissions of the companies in which our clients are invested. As of November 30, 2020 year-to-date, BIS took voting action for insufficient progress on climate on 63 of these companies, and placed an additional 191 companies "on watch",

$152 bn

AUM in sustainable investment strategies [1]

$39 bn

Flows into sustainable investment strategies YTD 2020

$21 bn

Invested in green bonds on behalf of clients

270+

Wind and solar projects funded by Real Assets Team [2]

141

iShares® sustainable ETFs and index mutual funds

While lots of people are talking about climate risk today, what investors need to make informed decisions is data tied to specific securities in their portfolio. Aladdin Climate is a dramatic step forward to begin filling the information gap necessary to build truly sustainable portfolios.

Rob Goldstein, Chief Operating Officer, December 2020

meaning that they are at risk of voting action in 2021 unless they demonstrate significant progress on the management and reporting of climate-related risk.[6]

Beginning in 2021, BIS' expanded focus universe will cover more than 1,000 companies representing 90% of the Scope 1 and 2 emissions of the companies in which our clients invest.[7] BIS asks explicitly that the companies in the expanded focus universe disclose a business plan aligned with the goal of limiting global warming to well below 2°C, consistent with achieving net zero global greenhouse gas ("GHG") emissions by 2050.[8]

We communicated our position throughout the past year and expect companies to demonstrate how climate and sustainability-related risks are considered and integrated into their strategy. If a company does not provide adequate public disclosures for us to assess how material risks are addressed, we may conclude that those issues are not appropriately managed and mitigated.

Technology to measure climate risk

Aladdin is BlackRock's end-to-end investment management and operations platform. It combines sophisticated risk analytics with portfolio management, trading, and operations tools on a single, unified platform. In 2020, BlackRock created Aladdin Climate to meet the urgent need among financial institutions and investors to quantify climate risk in their portfolios. Aladdin Climate is the first software application to offer investors measures of both the physical and transition risks on portfolios with climate-adjusted security valuations and risk metrics. Using Aladdin Climate, investors can analyze climate risk and opportunities at the security level and measure the impact of policy changes, technology, and energy supply on specific investments.[9]

Our operations are carbon neutral[10]

We achieved and maintain this by employing energy efficiency strategies, achieving our 100% renewable energy goal,[11] and offsetting emissions we could not otherwise eliminate.[12]

71

Dedicated active sustainable strategies [4]

1,260

Company engagements on environmental topics in 2019-2020 proxy season [5]

63

Companies on which BIS took voting action against for insufficient progress on climate-related matters [4]

1,200

Nearly 1,200 ESG metrics in Aladdin

We ask explicitly that the companies in our expanded focus universe disclose a business plan aligned with the goal of limiting global warming to well below 2 degrees Celsius, consistent with achieving net zero global GHG emissions by 2050.

BlackRock Investment Stewardship, 2021 Global Principles

We are committed to transparency

We believe in the power of transparency to hold ourselves and others accountable for continuous progress. We report Scope 1, Scope 2, and Scope 3 GHG emissions, where possible. At the product level, we publish ESG metrics, including weighted-average carbon intensity ("WACI"), on product websites for iShares ETFs and BlackRock mutual funds. As of October 2020, ESG metrics are publicly available for $2.6 trillion in AUM, including $2.1 trillion in AUM for which WACI data are reported, representing 93% and 76%, respectively, of AUM in publicly offered funds.[14]

Delivering on our 2020 commitments

In January, BlackRock announced commitments to establish Sustainability as BlackRock's New Standard for Investing centered around three themes: (i) building sustainable, resilient, and transparent portfolios; (ii) increasing access to sustainable investing; and (iii) enhancing sustainability and transparency in investment stewardship. We have made significant progress towards the goals we set out including achieving our 100% ESG integration goal for active strategies. For more detail on our progress, see 2020 sustainability actions.

Looking forward

We recognize the importance of global ambitions to reach net zero GHG emissions by 2050 and the increasing momentum in policy, technology, finance, and corporate commitments towards this goal.[15] As of September 30, 2020, we have seen $39 billion in flows into sustainable investment strategies this year, as we deliver on our goal of increasing access to sustainable investing. In addition, we have exited companies that derive more than 25% of their revenue from thermal coal production in our active portfolios, and we are engaging with investee companies on TCFD reporting and their alignment to a scenario in which global warming is limited to well below 2°C.[16,17] Finally, we have enhanced transparency on the sustainability characteristics of our investment products, and we achieved carbon neutrality in our operations. In 2021, we will announce additional actions that are aligned to net zero ambitions.

$2.1 tn

AUM in funds for which carbon footprint data is reported publicly [13]

100%

ESG integrated active strategies

100%

Renewable energy goal in our operations [18]

Key Points in Response to TCFD Recommendations[19]

Pillar / Recommendation	Key Points
Governance: Disclose the organization's governance around climate-related risks and opportunities	
Describe the board's oversight of climate-related risks and opportunities	Oversight of long-term strategy (including sustainability) by BlackRock's Board of Directors (the "Board")
	Board Risk Committee assists the Board in overseeing, identifying, and reviewing risks that could have a material impact on BlackRock, including ESG risks
	Board Nominating & Governance Committee oversees investment stewardship and corporate sustainability
Describe management's role in assessing and managing climate-related risks and opportunities	Global Executive Committee ("GEC") is actively involved in setting and executing on sustainability strategy
	GEC Investment Sub-Committee oversees the firm's investment processes including ESG integration
Strategy: Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material	
Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	Opportunities: increased demand for sustainable investment products and Aladdin, operating efficiencies
	Risks: market, regulatory, and reputational risks, as well as physical risks
Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	Management of climate-related risks and opportunities is embedded across investment processes, business strategy, and operations
Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	BlackRock conducted its first corporate climate-related scenario analysis exercise in 2020 in order to refine our understanding of the potential implications of climate-related transition risks to our business strategy. The Appendix provides a detailed description of the methodology and process employed
Describe how risks and opportunities are factored into relevant products or investment strategies and describe related transition impact*	The primary means by which we incorporate climate-related risks and opportunities into our investment products is through our ESG integration and investment stewardship efforts. As of Nov. 2020, 100% of active portfolios and advisory strategies are ESG integrated, meaning that portfolio managers are accountable for managing exposure to material ESG risks and documenting where in the investment process these risks are considered. ESG integration statements for all actively managed products that articulate how ESG is being integrated into their investment processes are published on product websites.

*Reflects recommendations that are included in the supplemental guidance for asset managers

Pillar / Recommendation	Key Points
Risk Management: Disclose how the organization identifies, assesses, and manages climate-related risks	
Describe the organization's processes for identifying and assessing climate-related risk	BlackRock employs a three-lines of defense approach to managing risks, including climate-related risks. For risks in client portfolios, investment teams are the primary risk owners, or first line of defense. BlackRock's risk management team, Risk & Quantitative Analysis ("RQA"), serves as a key part of the second line of defense. Internal Audit objectively assesses the adequacy and effectiveness of BlackRock's internal control environment as the third line of defense. RQA evaluates material ESG risks, including climate risk, during its regular reviews with portfolio managers to provide oversight of portfolio managers' consideration of these risks in their investment processes. This helps to ensure that such risks are understood, deliberate, and consistent with client objectives. BlackRock Sustainable Investing ("BSI") partners with RQA to monitor and review ESG risk exposure at the portfolio level, providing rigor and consistency across our diverse investment platform, while seeking to ensure that risk taking is deliberate, diversified, scaled, and in line with the clients' objectives. ESG risks are evaluated in operational processes, including considering ESG risks in risk and control self-assessments, product development, and incident management. Risks associated with ESG investment and operational processes are represented in risk profiles shared with risk oversight committees.
Describe the organization's processes for managing climate-related risks	
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	
Describe how material climate-related risks are identified and assessed for each product or investment strategy.*	
Describe how material climate-related risks are managed for each product or investment strategy.*	
Describe engagement activity with investee companies to encourage better disclosure and practices related to climate-related risks in order to improve data availability and asset managers' ability to assess climate-related risks*	BIS has engaged with companies for several years on the need to enhance disclosure of climate risks. During the year-ended June 30, 2020, BIS focused on 440 carbon-intensive companies. As of November 30, 2020 year-to-date, BIS has taken voting action against 63 companies, and placed an additional 191 companies "on watch", meaning they are at risk of voting action in 2021. Beginning in 2021, BIS' expanded focus universe will cover more than 1,000 companies. BIS asks that the companies in the expanded focus universe disclose a business plan aligned with the goal of limiting global warming to well below 2°C, consistent with achieving net zero GHG emissions by 2050.
Metrics & Targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	
Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	BlackRock reports three main categories of metrics: Business Indicators, Corporate GHG Emissions, and Product-Level Carbon Footprint metrics.
Describe metrics used to assess climate-related risks and opportunities in each product or investment strategy*	Varies by investment strategy. As of Nov. 2020, 100% of active portfolios and advisory strategies are ESG integrated meaning that portfolio managers are accountable for managing exposure to material ESG risks and documenting where in the investment process these risks are considered. ESG integration statements for our actively managed retail funds are published on product websites.
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	See Exhibit 12. We report Scope 1, 2, and 3 emissions, where possible. We obtain third-party verification for our Scopes 1 and 2 emissions, as well as for our Scope 3 business travel, employee shuttles, FERA, and waste emissions data and collection process.
Asset managers should provide the weighted average carbon intensity, where data are available or can be reasonably estimated, for each product or investment strategy*	As of October 2020, we are publicly reporting weighted-average carbon intensity for funds totaling $2.1 trillion in AUM, representing 76% of BlackRock's publicly offered funds (including ETFs and mutual funds). For separate account clients, we make this data available directly to the client upon request.
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	In January, BlackRock announced commitments to establish Sustainability as BlackRock's New Standard for Investing centered around three themes: (i) building sustainable, resilient, and transparent portfolios; (ii) increasing access to sustainable investing; and (iii) enhancing sustainability and transparency in investment stewardship. For detail on our progress, see 2020 sustainability actions.

*Reflects recommendations that are included in the supplemental guidance for asset managers

Governance

Disclose the organization's governance around climate-related risks and opportunities.

Effective corporate governance is critical to executing on our strategy, fulfilling our responsibilities to clients, and delivering for all of our stakeholders. BlackRock's governance of climate and sustainability-related matters reflects our commitment to strong leadership and oversight at the senior management and Board of Directors levels. BlackRock's Governance Overview provides more information on BlackRock's Corporate Governance framework.

Board oversight

BlackRock's **Board of Directors** engages with senior leaders on near- and long-term business strategy and reviews management's performance in delivering on our framework for long-term value creation. Sustainability, including climate-related issues – from the integration of ESG factors into the firm's investment processes, to sustainable investment strategies and investment stewardship priorities – is an increasingly important component of the firm's overall business strategy and the objectives of senior management over which the Board has oversight.

The Board holds six regularly scheduled meetings per year during which the Board's committees also meet. In 2020, the full Board received presentations on and discussed BlackRock's sustainability strategy in three out of the six meetings. These presentations and discussions covered the firm's strategy for evolving and increasing transparency in investment stewardship, the approach to expanding sustainable investment solutions for clients, and ongoing ESG integration efforts.

BlackRock's Board has ultimate responsibility for oversight of risk management activities. The **Risk Committee** of the Board of Directors ("Risk Committee") assists the Board in overseeing, identifying, and reviewing risks associated with operational activities that could have a material impact on the firm's performance. The Risk Committee reviews and discusses with management levels of risk, risk assessment, risk management, and related policies, including those related to climate and other sustainability risks, where material. In 2020, the Risk Committee received presentations on and discussed the integration of ESG factors into the firm's risk management processes and regulatory risk relating to sustainability.

Exhibit 1: BlackRock, Inc. Board Oversight of Sustainability-Related Matters

Governing Body	Sustainability-Related Responsibilities	2020 Sustainability-Related Discussions [a]
Board of Directors	Engages with senior leaders on near- and long-term business strategy and reviews management's performance in delivering on our framework for long-term value creation, including as it relates to sustainability.	3 meetings
Risk Committee	Reviews and discusses with management levels of risk, risk assessment, risk management and related policies including those related to ESG risks.	3 meetings
Nominating & Governance Committee	Periodically reviews corporate and investment stewardship-related policies, programs, and significant publications relating to environmental (including climate change), social, and other sustainability matters.	4 meetings

a) Out of 6 total meetings; reflects meetings where sustainability-related matters were presented and discussed. Sustainability-related matters, for the purposes of this TCFD report, include: the integration of ESG factors into investment processes, sustainable investment strategies, investment stewardship engagement on climate-related matters. and corporate sustainability strategy and disclosures.

In 2020, BlackRock formalized Board-level oversight of investment stewardship and corporate sustainability at the **Nominating & Governance Committee** of the Board of Directors ("NGC"). The NGC periodically reviews corporate and investment stewardship-related policies and programs, as well as significant publications relating to environmental (including climate change), social, and other sustainability matters. As appropriate, the NGC makes recommendations on these matters to be reviewed by the full Board. In addition, the NGC periodically reviews public policy and advocacy activities, including lobbying priorities, political contributions, and memberships in trade associations.

In 2020, the NGC received presentations on and discussed BIS' engagement priorities, which include climate risk and sustainability reporting, and BIS' progress toward enhancing transparency. NGC also received presentations on and discussed BlackRock's corporate sustainability program and disclosures, including this TCFD report.

Management oversight & functional groups

The **Global Executive Committee** ("GEC") is BlackRock's leadership team.[1] The GEC sets the strategic vision and priorities of the firm and drives accountability at all levels. In 2019, a subset of the GEC reviewed BlackRock's sustainability strategy. This review culminated in a series of commitments to accelerate BlackRock's sustainable investing activities and embed sustainability as our standard for investing. The commitments were announced by the entire GEC through an open letter to BlackRock's clients in January 2020.[2] The GEC continues to be actively involved in and receives regular updates on BlackRock's sustainability strategy.

The **Investment Sub-Committee of the GEC** oversees investment process consistency across the firm's investment groups. Members of the Investment Sub-Committee include the global heads or sponsors of all of BlackRock's major investment verticals: ETFs and Index Investments, Portfolio Management Group, Global Trading & Transition Management, BlackRock Alternative Investors, and BlackRock Sustainable Investing, as well as the firm's Chief Risk Officer. One of the remits of the Investment Sub-Committee is overseeing progress toward ESG integration in BlackRock's investment processes.

The **Risk & Quantitative Analysis Group** ("RQA"), BlackRock's risk management function, is responsible for evaluating investment, counterparty, operational, technology, model, and regulatory risks — including consideration of ESG factors relevant for each. As part of its investment risk oversight, RQA shares and discusses ESG risk metrics, including climate risk where applicable, during regular reviews with portfolio managers of active investment strategies to provide oversight of portfolio managers' consideration of material ESG risk in investment processes.

BlackRock Investment Stewardship ("BIS") is responsible for the firm's global engagement principles and regional proxy voting guidelines. Investment stewardship is how we use our voice as an investor to promote sound corporate governance and business practices to help maximize long-term shareholder value for our clients.

BlackRock Sustainable Investing ("BSI") partners with investment teams to deliver innovative products and solutions, integrate sustainability considerations across investment processes, and drive sustainable investing research efforts. BSI works closely with RQA to drive high-quality ESG integration across investment teams.

Investment platform leadership within BlackRock's investment divisions, oversees and is accountable for ESG integration into the investment processes for each business. This includes determining appropriate methodologies for each underlying investment team, setting policy, and facilitating ESG integration into the investment processes and portfolio objectives for each respective business. Many investment teams have specialized sustainability-focused units to help drive ESG integration and sustainable investment product development within the business including the BlackRock Alternative Investors Sustainable Investing team and the Fixed Income Responsible Investing team.

The **Corporate Sustainability** team oversees efforts to incorporate sustainability into BlackRock's business practices and the setting of environmental sustainability objectives and strategy for BlackRock's operations. In addition, the Corporate Sustainability team reports to the Board and external stakeholders on BlackRock's progress. In addition, the Corporate Sustainability team oversees the development of BlackRock's corporate sustainability disclosures, including the production of this TCFD report.

The **Technology and Operations** and **Enterprise Services** teams work with Corporate Sustainability to implement initiatives to reduce the environmental impact of BlackRock's operations. In addition, BlackRock's Business Continuity Management and Disaster Recovery planning, strategy, and crisis management activities are managed by the Business Continuity Management team, which sits within Enterprise Services.

Exhibit 2: Governance Structure, Sustainability

BlackRock Board of Directors

Risk Committee aids Board in overseeing risk (including ESG risks)
NGC oversees Investment Stewardship and Corporate Sustainability

Global Executive Committee

Oversees sustainability strategy; Investment sub-committee oversees investment process consistency, including ESG integration

Risk and Quantitative Analysis	Investment Teams	BlackRock Investment Stewardship
Oversight of investment, counterparty, and enterprise risks including ESG risks	ETFs and Index Investments, Portfolio Management Group, Global Trading & Transition Management, and BlackRock Alternative Investors	Engages with companies in client portfolios on sustainability and governance matters, casts proxy votes.

BlackRock Sustainable Investing

Works closely with RQA to drive high-quality ESG integration across investment teams

ESG integration ● Sustainable Solutions ● Research & Insights ● Data & Analytics

Corporate Sustainability	Enterprise Services
Develops and oversees environmental sustainability strategy for operations, collects and reports corporate GHG emissions data; develops climate-related disclosures	Business Continuity Management team manages business continuity risks, Corporate Real Estate and Facilities teams implement environmental sustainability initiatives in coordination with Corporate Sustainability

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning, where such information is material.

Sustainability is a strategic priority for BlackRock that is integrated into our investment processes on behalf of our clients, our strategy for delivering long-term organic growth to our shareholders, and in how we operate our business. These efforts are reinforced by our commitment to transparency in our investment products, our investment stewardship activities, and our corporate operations. We approach climate-related risks and opportunities from two main perspectives, which are captured across this report:

1. As a **corporate entity** whose business is affected by climate-related risks and opportunities and whose operations have both direct and indirect impacts on the climate; and
2. As an **asset manager** striving to help our clients benefit from investment opportunities arising from the transition to a net zero-carbon economy; and with a responsibility to manage material risks to our clients' portfolios, including climate-related risks, within the bounds of our clients' guidelines and objectives.

In January 2020, BlackRock announced a series of commitments designed to establish Sustainability as BlackRock's New Standard for Investing. These commitments centered around three themes: (i) building sustainable, resilient, and transparent portfolios; (ii) increasing access to sustainable investing; and (iii) enhancing sustainability and transparency in investment stewardship. BlackRock has already achieved many of the goals it set out in January and has made considerable progress across each of the three focus areas mentioned above.[1]

In addition, BlackRock's operations are carbon neutral. This achievement includes Scope 1, Scope 2, and Scope 3 employee business travel, serviced offices,[2] and co-located data center emissions. We have achieved this milestone by employing energy efficiency strategies, achieving our 100% renewable energy goal,[3] and offsetting emissions we could not otherwise eliminate.[4]

In this section, we discuss how climate-related risks and opportunities are managed within BlackRock's business activities, namely:

- Investment Strategies
- ESG integration
- Investment Stewardship
- Aladdin®
- Operations
- Public Policy & Partnerships

In addition, we discuss the climate-related risks and opportunities that we have identified and provide insight into climate scenario analysis that BlackRock undertook in 2020.

Investment strategies

It is estimated that over the next 30 years, $50 trillion will be needed to invest in technologies to achieve global decarbonization.[5] As such, investment solutions that can help BlackRock's clients better manage climate-related risks to their portfolios and benefit from or contribute to the energy transition are amongst the greatest climate-related opportunities for BlackRock.

Our investment conviction is that sustainability-integrated portfolios can provide better risk-adjusted returns to investors. This conviction is held not only by BlackRock, but by investors around the world, and is driving capital globally toward sustainable investment solutions.

In order to deepen our understanding of this shift – and how the pandemic would affect it – we recently surveyed our clients around the world. We sought to understand the main challenges sustainable investing faces and areas where innovation can spur adoption. The respondents represented 425 investors in 27 countries and an estimated $25 trillion in AUM. The results showed that investors recognize the importance of sustainable investing to risk-adjusted returns and are backing up this conviction with their asset allocation plans, though the scale of adoption varies by region. Respondents to the survey indicated that they plan to double their sustainable AUM, on average, in the next five years.[6]

BlackRock manages $152 billion,[7] on behalf of our clients, in investment solutions in which sustainability themes are central to enhancing long-term risk-adjusted returns. These solutions include a variety of products and strategies that support the transition to a low-carbon economy.

iShares®

One of the fastest growing segments within the exchange-traded fund ("ETF") market is sustainable ETFs. Consistent with BlackRock's goal to double offerings of sustainable ETFs (to 150), iShares® launched over 45 new sustainable ETFs across the US, Europe, and Canada in 2020. With 141 sustainable index offerings globally,[8] BlackRock's iShares® Sustainable ETF range is now the largest in the industry, both in terms of AUM and the number of investment options we provide to investors. The growth of sustainable iShares is helping to grow the market for sustainable investing overall by expanding access to sustainable investment options to more people.

In addition, iShares® works to promote greater standardization and transparency of sustainability benchmark methodologies. Several of our sustainable ETFs are the result of iShares® engagement with major index providers (including S&P, Bloomberg, FTSE Russell, and Markit) to provide sustainable versions of flagship indexes.[9] These products differ from more traditional index solutions in that they combine access to major benchmark exposures with business involvement screens to help investors avoid companies with specific levels of involvement in certain industries such as fossil fuels, tobacco, civilian firearms, and controversial weapons.[10]

Looking forward, we expect to continue to focus on expanding our offerings within impact and climate-oriented strategies, as well as further building out our ESG index offerings.

Approach to Fossil Fuel Exclusions

BlackRock offers a range of strategies that screen out companies that derive more than a certain percentage of revenues from fossil-fuel-related activities, have thermal coal reserves, or meet other criteria. For example, BlackRock's iShares sustainable ETFs apply screens related to business involvement in thermal coal, tar sands, and fossil fuels. BlackRock also offers separate accounts to qualified investors, where exclusionary screens can be set with specific criteria as determined by the client. Client preferences regarding screens differ by region. BlackRock has developed baseline screens that address a majority of our clients' requests for exclusions in different regions. In the Europe, Middle East, and Africa ("EMEA") region, baseline screens eliminate holdings with more than de minimis exposure to controversial weapons, nuclear weapons, fossil fuels, civilian firearms, tobacco, and UN Global Compact violators. These screens are applied on all sustainable screened funds in EMEA as well as new active funds on a comply or explain basis. For Global (ex EMEA) sustainable funds, baseline screens exclude companies with more than de minimis exposure to controversial weapons, fossil fuels, civilian firearms producers, and tobacco producers. These screens are applied to all global sustainable screened funds ex-EMEA (where EMEA baseline screens are applied).

Illiquid Alternatives

Private market investments, such as infrastructure, real estate, and private equity, benefit not only clients, but often have very direct impacts on the local communities where such investments are situated, as well as the individuals who work on the development, operation, and maintenance of such investments.

BlackRock's Real Assets platform has established investment strategies that address the global market opportunities for transitioning to a net zero-carbon economy.

Global Renewable Power ("GRP"). As an early mover in renewable power investing, BlackRock manages one of the largest renewable power platforms in the world, with over $7.2 billion[11] of invested and committed capital in our GRP platform alone. The investments made by GRP on behalf of BlackRock's clients have directly invested in more than 250 global projects,[12] including onshore wind, offshore wind, and solar photovoltaic ("PV") projects.[13] As of November 30, 2020, over 16 million MWh of clean, renewable energy is generated each year by BlackRock's renewable power investments, which is enough to power over 21 million homes.[14] In 2019, GRP investments displaced more than 9.1 million metric tons of GHG emissions and saved over 17.5 million cubic meters of water per annum.[15] Additional impact data for a sample GRP portfolio can be found in Exhibit 3.

We believe BlackRock's GRP strategies are well positioned to support the global energy transition, as we move from a power generation sector historically dominated by fossil fuels, to one that is expected to comprise over 60% renewables by 2050.[16] We view this opportunity as the largest, single structural shift taking place in infrastructure globally, and one that has the potential to create $10 trillion of investment opportunities in the next 3 years. Our investment strategies also recognize the additional requirements to support wider climate infrastructure, including energy storage and electric vehicle charging.

Exhibit 3: Sample Global Renewable Power Portfolio –
Impact Metrics Projected over Time Horizon of Portfolio [a]

		Dollarized Impact (US$)	Impact Multiple [b]
6 Clean water and sanitation	Water savings from renewable power generation **141,021,789 m³ water reduced**	**$ 284m** [c]	**0.23x**
7 Affordable and clean energy 13 Climate action	Greenhouse gas emissions avoided **39,128,766 tons of CO_2 emissions avoided**	**$ 1,737m** [d]	**1.32x**
8 Decent work and economic growth	New jobs created **7,625 jobs created**	**$ 239m** [e]	**0.16x**
11 Sustainable cities and communities	Community engagement **US$114m lifetime community contribution**	**$ 114m** [f]	**0.08x**
	Portfolio Total	**$ 2,593m**	**1.78x**

Data as of December 31, 2019.

a. To measure impact, we leveraged the Global Impact Investing Network ("GIIN")'s Impact Reporting and Investment Standards ("IRIS") metrics. For full set of SDG-aligned IRIS metrics, see: https://iris.thegiin.org/document/iris-and-u.n.-sustainable-development-goals/.

b. Impact Multiple for each metric = Dollarized Impact (USD) / total capital invested (USD)

c. Dollarized water saved (USD) = Cost of water (USD/m3) * Total water saved over time horizon (m3).

d. Dollarized CO_2 emissions avoided (USD) = social cost of carbon (USD/metric ton) * total CO_2 emissions avoided over time horizon (metric tons CO_2). Social Cost of Carbon based on estimates from US Interagency Working Group on Social Cost of Greenhouse Gases, United States Government. Assuming 3% discount rate, adjusting 2007 dollars for inflation to obtain 2019 dollars. See https://19january2017snapshot.epa.gov/sites/production/files/2016-12/documents/sc_co2_tsd_august_2016.pdf

e. Dollarized jobs created (USD) = Employee annual wages (USD) * time horizon (years)

f. Community benefits measurements are based on financial contributions to local community benefits funds. Therefore, this measurement is already in dollars terms

Fixed Income & Green, Social, and Sustainability Bonds

The need for sustainable fixed income solutions is pressing. Many large investors, such as insurers and pension funds, hold the bulk of their assets in bonds. BlackRock's whitepaper, Sustainability: the bond that endures, discusses the growing evidence that a focus on sustainability-related factors can help investors build more resilient fixed income portfolios. BlackRock's Fixed Income Responsible Investing team works with investment teams within Fixed Income to identify relevant ESG risks and opportunities and develops tools to aid this process.

Green Bonds. A green bond is a fixed income instrument dedicated to new or existing projects deemed environmentally beneficial by the Green Bond Principles.[17] Green bonds' proceeds are ring-fenced on the issuer's balance sheet to finance these green projects. Since green bonds trade like ordinary bonds and have secondary market liquidity, they serve as a valuable tool that enables investors to fund green projects without taking on the more limited liquidity or credit risk that comes with directly investing in infrastructure projects.

The green and social bond market is steadily growing, helping raise funds for projects that have positive environmental or social impact. More than $1 trillion in green bonds have been issued since these securities first emerged in 2007, according to research company BloombergNEF.[18]

BlackRock is heavily involved in and supportive of the green bond market. As of September 30, 2020, BlackRock manages $21 billion, on behalf of clients, in green bonds across dedicated portfolios and as a component of broader fixed income mandates. These bonds support numerous renewables and low-carbon projects. In addition, BlackRock's Head of Fixed Income Responsible Investing sits on the Executive Committee of the Green Bond Principles and the firm is a partner of the Climate Bonds Initiative.

Finally, investors want to know that green bonds deliver their intended environmental benefits. They want to measure how their investments contribute to their environmental objectives and/or report the environmental benefits to their end-investors, plan participants, or customers. BlackRock has developed portfolio-level impact reporting for a commingled green bond strategy – an example of which is shown in Exhibit 4. The reporting includes carbon emissions avoided, renewable capacity installed, and energy savings attributable to green bond investments in the portfolio.

Cash management

In 2019, BlackRock introduced the first investment vehicle that offers the stability, liquidity, and yield potential of a money market fund while considering environmental criteria. The vehicle has expanded into a series of six global environmentally-focused cash management vehicles, which invest significantly in securities issued or guaranteed by entities that meet certain environmental criteria. As of September 30, 2020, these strategies comprised over $14.5 billion in AUM. These solutions consider select environmental metrics in addition to the standard credit risk assessment process for liquidity management portfolios. In addition, these strategies apply screens that exclude companies with significant exposure to fossil fuels, mining, exploration, or refinement, and thermal coal.

Exhibit 4: Impact Report for Green Bond Strategy

Example Impact Report for Green Bond Strategy *(Environmental Impact per USD 1 million invested)*			
	1,843 tCO_2/year of avoided emissions Equivalent to taking **398 cars off the road**		**1,073 MWh/year** of renewable energy generated Equivalent to **annual electricity use of 87.5 homes**
	441 m^3 / year of water savings Equivalent to **1/6 of an Olympic-sized swimming pool**		**253 MWh/year** of energy savings Equivalent to **6,796 light bulbs switched to LEDs**
	38 hectares of land area re/afforested or preserved Equivalent to **54.3 football fields**		**6,350 m^3/year** of water or waste collected and disposed or treated Equivalent to **3.2 Olympic-sized swimming pools**
	169 people benefitting from forest, agriculture, water or waste projects **5 jobs created** across all categories		**9,835 new passengers/year** on public transit **214 minutes saved** due to better public transit

Sources: BlackRock analysis of publicly available environmental impact reports as communicated by issuers as of 18 May 2020. The above results are shown for informational purposes only, to illustrate the positive environmental impact of a green bond portfolio. They are not meant to be a prediction or projection. Not every issuer reports on every metric, hence no linear extrapolation should be pe formed. BlackRock is not held responsible for inaccuracies in issuers' reporting; methodology available upon request. US EPA's Greenhouse Gas Equivalencies Calculator for CO2 and energy measures. Other assumptions: 1 Olympic pool = 2,500 m3 of water; 1 football = 7,000 m

Perspectives on fixed income portfolios aligned to the Paris Agreement

Investors can play an important role in supporting the transition needed to keep global temperature rise to well below 2°C from pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels. There is ongoing discussion across the industry as to how to align portfolios to the goals of the Paris Agreement.[19] BlackRock is committed to partnering with our clients on their efforts to align their portfolios with the global ambitions to reach net zero emissions by 2050. The below discussion reflects the views of BlackRock's Fixed Income Responsible Investing Team.

What is a Paris-aligned portfolio?

A Paris-aligned portfolio is not just a portfolio with a fossil fuel screen or a lower carbon intensity than a benchmark or market. A Paris-aligned portfolio tilts exposure to companies aligned with economic activities that trend towards net zero by 2050.

Why not just underweight 'high impact' sectors, like power generation and oil and gas?

The most widely available emissions data are Scope 1 and Scope 2 emissions. Scope 3 (i.e., indirect emissions that occur in a company's value chain) are hard to measure and often not readily available. A strategy that minimizes Scope 1 and 2 emissions will reduce exposure to power utilities who burn fossil fuels to generate electricity (Scope 1), but maintain or increase exposure to oil and gas producers, a sector where 80-90% of emissions are in Scope 3. This is not a sensible outcome given that more electricity will be needed to satisfy most final energy uses in a decarbonized world, provided such energy is generated in a zero-carbon manner. Conversely, the role of fossil fuels in a decarbonized world will be limited to nonexistent.

What might a Paris-aligned fixed income portfolio look like in practice?

We are developing a strategy that aims to allocate capital to companies that are well positioned to move towards sector specific models aligned with the goal of the Paris agreement. We identify these companies by using GHG data alongside capital expenditures, research and development, management signaling, and other indicators. Importantly, we are looking to emulate the financial characteristics of common fixed income benchmarks, especially sector allocation – in other words, not underweighting the most carbon intensive sectors, but by selecting companies within sectors that are best aligning themselves with the goals of the Paris agreement. It is our premise that the high emitting sectors are the ones that need the most support in financing the transition and we do not seek to divest from companies who have technological options and are demonstrating willingness to change.

How do you account for the fact that the number of Paris-aligned companies today is limited?

While the number of high impact Paris-aligned companies are small today, we expect the universe to grow over time as technology evolves and makes decarbonization more affordable and financially viable for more sectors. Importantly, if an entire company is not aligned, we are still keen to finance their aligning projects through green bonds. Green bonds finance projects that have clear environmental benefits, and most of them target GHG emissions reductions as a primary goal. Particularly in transition industries such as power generation or automotive manufacturing, green bonds are encouraged to shift investment to low-carbon technologies and reduce future emissions.

Active Equity Strategies

The Thematics and Sector Team within BlackRock's Active Equities business has been managing public equity portfolios that invest in the energy transition since 2000. They manage a series of active equity strategies that are designed to provide clients with exposure to the beneficiaries of the transition to a lower carbon economy.

Circular Economy. In October 2019, the Thematics and Sector team launched a circular economy investment strategy in partnership with the Ellen MacArthur Foundation ("EMF").[20] EMF is a global thought leader that works to accelerate the transition to a Circular Economy. EMF has helped put the Circular Economy on the agenda of decision-makers around the world.

At its core, the Circular Economy strategy helps BlackRock's clients put their money to work in support of the transition to a circular economy, as well as in businesses that are evolving to a more sustainable way of operating.

The Circular Economy is expected to impact a wide number of industries, presenting growth opportunities to well-positioned companies. This shift may be driven by the confluence of three key factors — increasing regulation, changing consumer preferences favoring sustainable alternatives, and corporate responses to focus on circular practices. For example, one important catalyst has been the number of companies committing to ambitious targets around recycled plastics use, following tightening policy restrictions and consumers shunning disposable plastic.

In order to identify meaningful exposure to the Circular Economy, the Thematics and Sector team brings together their fundamental expertise on individual stocks with unique insights from EMF. As a 'knowledge partner' to BlackRock, EMF provides expert insights and guidance that complements our fundamental research on the broader theme.

Low-Carbon Transition Readiness ("LCTR")**.** In 2018, BlackRock announced the launch of a low-carbon economy "Transition Readiness" equity investment strategy.[21] The LCTR strategy seeks to deliver long-term competitive financial returns relative to standard equity benchmarks and directs capital to companies best positioned to facilitate the global transition to low-carbon economies. It is based on the investment thesis that the transition to a low-carbon economy will create winners and losers across companies, industries, and countries, and will ultimately impact long-term investment performance. These risks and opportunities may result from emerging technologies, regulatory changes, and the physical impacts associated with climate change, all of which will have cross regional and sectoral impacts.[22]

Perspectives on the Circular Economy

During BlackRock's 2020 Sustainability Summit, BlackRock's Global Head of Thematic & Sector Investing, hosted a conversation with Dame Ellen MacArthur, Founder & Chair of Trustees of the Ellen MacArthur Foundation. Below are some of the highlights from the discussion.

What is the Circular Economy?

The best way to describe a circular economy is to compare it to our current predominantly linear one. Today, when we take a material out of the ground, we tend to make something out of it and then we throw it away. Within a circular economy, you design with the intention for the product to be used longer, remanufactured, or upgraded, right from the outset. You design that product so that at the end of the product's life, you can recover the materials and design out waste entirely, enabling you to feed those materials back into the economy.

Importantly, you need to change business models to enable this to happen. If you produce an item, you need to ensure that item can come back into the system. The Ellen MacArthur Foundation has investigated how you can decouple growth from resource constraints. There is vast economic potential if we shift towards this model. When you start to see that shift and realize the circular opportunity, you also realize there's massive CO_2 savings. Once you stop being extractive and consumptive and you start being regenerative and restorative, CO_2 emissions fall considerably.

What role does finance play in the Circular Economy?

Finance is crucial in supporting industries, like the plastics packaging industry, shifting from linear to circular. The circular economy is about opportunity – it isn't just about the "push" to join, it's the "pull." We've identified an economic opportunity to redesign the global economy and build a more-resilient system that is restorative and regenerative. A system that works to rebuild things and improve them, rather than stretch out what we have a little bit longer. We don't have all the answers around the circular economy, and we don't have the answers as to how to make this transition accelerate. However, we know that finance is key in this transition, as are many elements, but you can't accelerate the transition to a circular economy without those forces that pull as well as push.

How has the recent market downturn affected the pre-COVID momentum towards the circular economy?

There is a direct opportunity here. Despite the fear and the unknown elements of the crisis, there's a possibility to rebuild things differently. It's incredibly positive to see the circular economy as a key pillar of the European Commission's European Green Deal.

ESG Integration

BlackRock's ESG Integration Statement details our firm-wide commitment to integrate ESG information into investment processes across all portfolios. The ESG Integration Statement outlines the foundation, ownership, and oversight mechanisms that underpin our approach. ESG integration is the practice of incorporating material ESG information into investment decisions with the objective of improving the long-term financial outcomes of our clients' portfolios.

BlackRock committed that by the end of 2020, all active portfolios and advisory strategies will be ESG integrated – meaning that, at the portfolio level, our portfolio managers are accountable for appropriately managing exposure to material ESG risks (including climate risk) and documenting where in the investment process these risks are considered. As part of delivering on this commitment, portfolio managers, with the help of BSI and RQA created ESG integration statements at the unique investment process level, for all actively managed products, to articulate how ESG considerations are being integrated into their investment processes. The white paper, Making Sustainability Our Standard, describes BlackRock's detailed approach to integrating sustainability related factors into portfolio management and provides an update on our integration efforts — particularly on progress against the goals we set in January — and a presentation of our approach and lessons learned.

As of November 2020, 100% of active portfolios and advisory strategies have met this goal, and as of December 2020 all ESG integration statements for actively managed publicly offered funds are published directly on the relevant product pages. These statements are relevant for all active products, not just for sustainable investment products.

BlackRock's approach as it relates to identifying and managing material climate-related risks and opportunities within client portfolios is two-fold: (i) developing firmwide infrastructure and processes to support the analysis of climate-related risks; and (ii) distributing responsibility to investment professionals to review and manage material investment risks, including climate risks, in portfolios.

Our investors lead in identifying material sustainability-related risks and opportunities – including climate-related considerations– in their portfolios. Investment teams develop views on the materiality of specific sustainability-related topics by considering BlackRock's proprietary ESG research, as well as research from a variety of external sources. In addition, BlackRock has developed proprietary measurement tools to deepen portfolio manager understanding of material ESG risks including climate risks.

In our index investments business, we work with index providers to expand and improve the universe of sustainable indexes, and our investment stewardship processes encourage the companies in which our clients are invested to manage and disclose material sustainability risks.

BlackRock's PRI Transparency Report provides specific examples of how ESG considerations are incorporated by various investment teams. As a PRI signatory since 2008, BlackRock has committed to upholding all six PRI principles. In 2020, BlackRock received A's across every category in the PRI Assessment Report as shown in Exhibit 5.[23] In addition, every BlackRock direct investment practice area improved its score with A+ earned in equities, fixed income, private equity, property, and infrastructure.

Exhibit 5: BlackRock PRI Scores by Indicator

	BlackRock's PRI Scores by Indicator	2017	2018	2019	2020
	Strategy & Governance	A+	A	A+	A+
Direct	Listed Equity Incorporation	A	B	A	A+
Direct	Listed Equity Active Ownership	A+	A	A+	A+
Direct	Fixed Income SSA	B	A	A	A+
Direct	Fixed Income Corporate Financial	A	A	A	A+
Direct	Fixed Income Corporate Non-Financial	A	A	A	A+
Direct	Fixed Income Securitized	B	B	B	A
Direct	Private Equity	C	A	A	A+
Direct	Property	B	A	A	A+
Direct	Infrastructure	A	A	A	A+
Indirect	Listed Equity Incorporation		A	A	A
Indirect	Fixed Income SSA		A	A	A
Indirect	Fixed Income Corporate Financial		A	A	A
Indirect	Fixed Income Corporate Non-Financial		A	A	A
Indirect	Fixed Income Securitized		A	A	A
Indirect	Private Equity		A	A	A+
Indirect	Infrastructure				A+

Investment Stewardship

Investment stewardship is an essential component of our fiduciary responsibility. It is how BlackRock uses its voice as an investor to promote sound corporate governance and business practices to help maximize long-term shareholder value for our clients, the vast majority of whom are investing for long-term goals such as retirement. BlackRock has the largest global stewardship team in the industry[24] with 50 people across eight offices who have a regional presence and local expertise across 54 voting markets.

BIS' approach to corporate governance and stewardship is outlined in the 2021 BlackRock Investment Stewardship Global Principles (the "Global Principles") and market-level voting guidelines. The Global Principles further embed sustainability into BlackRock's stewardship activities. BIS anticipates more engagement and voting on material ESG risks going forward.[25]

Global aspirations to reach Net Zero GHG emissions by 2050

We are firmly convinced that climate risk — both physical and transition risk — presents one of the most significant risks to the long-term value of our clients' investments. In recognition of the long-term risks to client portfolios presented by climate change, the BIS Global Principles, 2021 Stewardship Expectations and market-level voting guidelines state BIS' expectation that investee companies articulate how they are aligned to a scenario in which global warming is limited to well below 2°C and a global aspiration to reach net zero GHG emissions by 2050.[26, 27] The public and private sectors have roles to play in aligning GHG reduction efforts with targets based on science, where available, to curb the worst effects of climate change and reach the global goal of carbon neutrality by mid-century. Companies have an opportunity to utilize and contribute to the development of current and future low-carbon transition technologies, which are an important consideration for the rate at which emissions can be reduced. BIS expects companies to disclose how they are considering these challenges, alongside opportunities for innovation, within their strategy and emissions reduction efforts.

In order to use our resources most effectively on behalf of clients, climate-related engagements are focused on companies in carbon-intensive sectors that, taken together, represent a significant proportion of market capitalization and GHG emissions in their respective regions. These companies face material financial risks in the transition to a low-carbon economy that we need to understand as long-term investors. In addition, companies across multiple sectors face physical risks related to climate change, and BIS seeks to understand how companies manage and mitigate these risks within their strategy and operations.

During the 2019-2020 proxy season, BIS conducted 1,260 engagements on environmental issues – a 299% increase from the prior year. Looking at carbon-intensive industries more broadly, BIS focused on a universe of 440 carbon-intensive companies that face material financial risks in the transition to a low-carbon economy. BIS identified 244 companies that are making insufficient progress integrating climate risk into their business models or disclosures. As of November 30 2020 year-to-date, BIS has taken voting action against 63 companies for insufficient progress and placed 191 other companies 'on watch,' meaning that they are at risk of voting action in 2021. Beginning in 2021, our expanded focus universe will cover more than 1,000 companies that represent 90% of the global scope 1 and 2 emissions of the companies in which our clients invest.[28]

We also recognize that for many carbon-intensive companies, the credibility of their commitments to manage climate and other sustainability risks may be undermined by their involvement in efforts that seek contradictory public policy aims. For this reason, we enhanced our disclosure requirements in relation to political activities, to cover significant trade association memberships.[29] We also explained that we expect companies to monitor and address misalignment with their trade associations on major policy positions.

Support for TCFD-aligned disclosure

Enabling investors to better identify, address, measure, and monitor sustainability-related risks is crucial to our role as stewards for our clients' capital. That is why we ask companies to publish reports aligned with the SASB standards and the TCFD recommendations. As of October 2020, 454 unique companies have reported SASB metrics, a 288% increase against the total number of reporters for the full year 2019 (117 companies). In addition, the TCFD framework has been supported by nearly 1,500 organizations representing a market cap of over $12.6 trillion.[30] Further, an increasing number of stock exchanges and regulators are recommending or mandating TCFD reporting.

Our Commitment to Transparency in Stewardship

Given the growing interest in our stewardship efforts from clients and broader society, we have significantly increased investment stewardship disclosure in 2020, including:

- **BlackRock Investment Stewardship 2021 Global Principles and market-level voting guidelines:** Sets out our stewardship philosophy and our views on corporate governance and sustainable business practices that support long-term value creation by companies. Our market level voting guidelines provide detail on how we implement the principles, taking into consideration local market standards and norms. Together they form the basis for our stewardship activities, including thought leadership, company engagement, and holding companies accountable by voting on management and shareholder proposals.
- **Our approach to sustainability:** Special report on our approach to voting on climate risk and other sustainability topics.
- **Global quarterly stewardship reports:** Case studies on individual engagements and data on the number of companies BIS engaged with during each quarter globally across a range of E, S, and G topics, including COVID-19 related issues.
- **Global vote disclosures**: BIS' vote instructions for individual meetings globally. This record reflects votes at meetings held from July 1st through June 30th of the following year. It is updated quarterly until June 30th each year, when it is superseded by BlackRock's annual Form N-PX filing.
- **Vote bulletins:** Vote bulletins describe our votes and rationales for key complex or high-profile votes. This has included bulletins on votes for more than 50 companies during the 2020 calendar year.[31]
- **Enhanced client reporting:** We implemented a new capability through *Aladdin* to deliver portfolio-specific company engagement reports for our clients.

In addition, BIS has published several commentaries[32] outlining its approach to engagement on climate risk and related topics, including:

- **Approach to engagement on climate risk**
- **Emissions, engagement, and transition to a low-carbon economy**
- **Sustainability reporting: convergence to accelerate progress**

Aladdin® and Aladdin Climate

Asset management is both a people business and an information processing business. Talented people, working with best-in-class tools and information, and a disciplined process, deliver better investment outcomes for clients. Technology enables people to make more informed decisions and construct better portfolios.

Within the broad umbrella of sustainability-related issues, climate change has emerged as a dominating theme amongst BlackRock investors and clients. Limited data and technology focused on climate risk make physical and transition risks challenging to quantify and to act upon. As a leader in financial technology and risk analytics, BlackRock is committed to addressing this need by empowering our investors and Aladdin clients to build more sustainable portfolios by putting ESG analysis at the heart of Aladdin.

Over the past several years, BlackRock has made significant investments in expanding the breadth and depth of ESG-related capabilities across the Aladdin platform. BlackRock's investors, who leverage the risk analytics and comprehensive portfolio management tools in *Aladdin*, now have access to a breadth of ESG metrics to further inform their investment decisions.

BlackRock has also expanded access to ESG data through new partnerships with leading data providers Sustainalytics and Refinitiv. Aladdin now offers over 1,200 key performance indicators to help portfolio and risk managers identify sustainability-related risks and make informed asset allocation decisions. By providing all Aladdin clients a set of ESG scores across a broad universe of companies, BlackRock is making it easier for investors to incorporate ESG metrics in their investment process.

Building on BlackRock's strength in risk management through the Aladdin platform, we announced in December 2020 that we created Aladdin Climate to meet the urgent need among financial institutions and investors to quantify climate risk in their portfolios as the physical toll of climate change mounts and the global transition to net zero emissions accelerates.

Through Aladdin Climate, users have access to climate data and analytics across Aladdin's full suite of portfolio and risk management tools including those related to physical and transition risk. This allows BlackRock portfolio managers to assess climate-related risks and opportunities at the security and portfolio level.

BlackRock has partnered with Rhodium Group ("Rhodium"), who leads the world's largest climate science and econometric research collaboration, to inform BlackRock's financial risk models. Together, we use a range of datasets to project climate hazards, such as flooding and temperature rise, to estimate a probabilistic distribution of these hazards' impact on economic indicators like employment, home prices, and GDP. We incorporate these probabilities in the financial risk models that power BlackRock and our Aladdin platform to calculate the financial impact for an equity, or a mortgage-backed security. We then generate financial analytics that are 'climate-adjusted' versions of standard analytics that are specific to the scenarios that investor chose. Paired with BlackRock's leadership in financial modeling and the power of Aladdin as a platform, Rhodium's data provides important new risk capabilities for our clients and for the industry.[33]

Aladdin Climate will power new Aladdin capabilities and add new risk metrics to BlackRock's modeling platform, and we will continue to extend our research across asset classes and geographies over time.[34]

Risks, opportunities & scenario analysis

BlackRock recognizes the importance of effective identification, monitoring, and management of climate-related risks and opportunities across its global business. Before discussing climate-related risks and opportunities, it is important to revisit BlackRock's business model for context. Importantly, the assets that BlackRock manages belong to BlackRock's clients, not BlackRock. BlackRock typically earns investment management fees as a percentage of AUM. BlackRock also earns performance fees on certain portfolios relative to an agreed-upon benchmark or return hurdle. For some products, we also may earn securities lending revenue.

In addition, BlackRock offers its proprietary Aladdin investment system as well as risk management, outsourcing, advisory, and other technology services, to institutional investors and wealth management intermediaries. Revenue for these services may be based on several criteria including value of positions, number of users, or accomplishment of specific deliverables.

Although the firm's global offices could be impacted by adverse climate events, the direct financial impact is limited, as BlackRock leases most of its facilities.[35] Nonetheless, BlackRock maintains business continuity plans to facilitate the continuity of business in the event of a business disruption, which can include disruptions related to physical climate risks. Additionally, we have insurance to further mitigate potential financial impact of physical climate risks we face. Further discussion of business continuity management is included on page 33.

As such, BlackRock's exposure to climate-related risk is primarily indirect, with the potential to affect future revenues and expenses. Exhibits 6 and 7 provide a list of key climate-related opportunities and risks that BlackRock has identified.[36]

Exhibit 6: Key Climate-Related Opportunities

Opportunity	Description
Products & Services Investment Solutions	There is increasing client demand for sustainable investment solutions. According to BlackRock's Global Sustainable Investing survey, respondents plan to double their sustainable AUM, on average, in the next five years. BlackRock's $152 billion sustainable investment platform is well-positioned to meet increased demand as more of our clients focus on the impact of climate change on their portfolios. BlackRock's iShares® Sustainable ETF range is the largest in the industry, both in terms of AUM and the number of investment options we provide to investors. BlackRock manages one of the largest renewable power infrastructure investment platforms in the world and is one of the largest investors in green bonds on behalf of clients.
Products & Services *Aladdin*	There is increasing demand from Aladdin clients to understand climate-related risks in their portfolios, as more investors seek to quantify and act on climate-related risks to their portfolios. Building on BlackRock's strength in risk management through the Aladdin platform, BlackRock created Aladdin Climate to address this need. Aladdin Climate is the first software application to offer investors measures of both the physical risk of climate change and the transition risk to a low-carbon economy on portfolios with climate-adjusted security valuations and risk metrics. Using Aladdin Climate, investors can now analyze climate risk and opportunities at the security level and measure the impact of policy changes, technology, and energy supply on specific investments.
Resource Efficiency Operations	BlackRock pursues a sustainability strategy that seeks to decouple company growth from our impact on the environment. By reducing waste and employing energy efficiency strategies to lower our emissions, amongst other efforts, we are minimizing the environmental impact of our operations and improving operational efficiency.

Exhibit 7: Key Climate-Related Risks

Risk	Description
Market	Climate-related risks could impact the value of BlackRock's AUM and reduce investment management revenue. BlackRock may be unable to develop new products and services and the development of new products and services may expose BlackRock to reputational harm, additional costs, or operational risk. Unsuccessful efforts to develop products to suit clients' climate-related needs could expose BlackRock to additional costs and/or cause revenue and earnings to decline. Changes in client preferences and/or changes to regulation to which our clients are subject could reduce demand for certain investment products offered by BlackRock. In addition, climate-related market risks could affect the value of seed and co-investments.[37]
Reputation	Stakeholder concern and/or associated activism related to the impact of BlackRock's client portfolio holdings on the climate could create reputational risk, reduce client and employee loyalty, or lead to shareholder divestment.
Regulatory	New environmental and sustainability-related disclosure requirements, or regulations or taxes that apply to BlackRock's investment products, emissions, or other aspects of BlackRock's operations could increase compliance costs or make BlackRock's products less desirable to clients.
Physical	Increased severity of climate-related events could affect our operations, to the extent such events impact our office locations and operations; although as mentioned previously, BlackRock's financial exposure to physical assets is limited and BlackRock has established business continuity and disaster recovery programs to facilitate the continuity of business in the event of a business disruption, including those related to physical climate risks. Additionally, we have insurance to further mitigate potential financial impacts of physical climate risks we face.

The inclusion of climate-related risks in Exhibit 7 should not be construed as a characterization regarding materiality or financial impact of these risks. For a discussion of risks that BlackRock has determined could be financially material, please see Item 1A. Risk Factors in our Annual Report on Form 10-K, as well as our subsequent Form 10-Q filings.

Scenario analysis

To fully incorporate the potential effects of climate change into an organization's planning processes, the TCFD recommends that companies "consider how climate-related risks and opportunities may evolve and their potential business implications under different conditions."[38]

Climate-related scenario analysis allows an organization to develop insight into how the physical and transition risks and opportunities arising from climate change might impact the business over time. Importantly, scenario analysis is not meant to predict the future, but rather to hone an understanding of climate-related risks and opportunities to which an organization may be exposed.

This section covers scenario analysis conducted by BlackRock from two vantage points – first, as a publicly-traded company; and second, as a fiduciary on behalf of our clients.

BlackRock conducted its first climate-related scenario analysis exercise in 2020 with the aim of refining our understanding of climate-related risks, while providing insight into longer-term opportunities. A detailed discussion of our process and approach to this analysis is provided in the Appendix.

As discussed above, one of the key channels through which BlackRock may be exposed to climate-related risks is through the risk that fluctuations in asset values, due to climate-related risks, lead to a reduction in BlackRock's investment management revenues – due to (i) a decline in the value of AUM; (ii) the withdrawal of funds from BlackRock's products; or (iii) the rebalancing or reallocating of assets into BlackRock products that yield lower fees.

All of the aforementioned items could be affected by both transition and physical climate risks to markets. We opted to focus in the first order on a transition risk scenario aligned to the TCFD recommendations, which call on companies to assess their resilience to a 2°C or lower scenario. This was based on our view that transition risks are more likely to have a significant impact on our business and would be more likely to affect BlackRock in the short- to medium-term.[39]

We reviewed several transition risk scenarios aligned with a 2°C or below warming target. From the scenarios considered, we concluded that the UN Principles for Responsible Investing's ("UN PRI") Inevitable Policy Response ("IPR") provided the best starting point given its explicit consideration of a delayed policy response and associated market shocks.[40] The scenario was adapted

through a series of workshops with subject-matter experts across the firm to develop assumptions around key drivers of potential impacts to BlackRock, such as client and product flows. Please see the Appendix for more detail.

The IPR envisions a forceful global policy response to climate change. The policy changes include: (i) deep and rapid changes to the energy system including a peak in oil between 2026 and 2028 and a complete phase-out of thermal coal by 2040; (ii) electrification of transport within 20 years including bans on the sale of internal combustion engine vehicles and 70% of passenger vehicles electrified by 2040; and (iii) major changes in land use including the virtual elimination of deforestation by 2030.[41]

We used the discussions and quantitative analysis to derive a series of potential outcomes. Key drivers of different outcomes in our analysis were as follows:

- Assumptions around client investment flows into and out of different types of investment products;
- Assumptions regarding expected capital market returns across different asset classes; and
- Assumptions regarding whether policy changes are implemented as expected in a consistent manner across jurisdictions, or alternatively in a fragmented and less predictable manner that could lead to additional uncertainty, market shocks, and volatility.

We recognize that there is potentially a lot of uncertainty regarding how to quantify these impacts and that reasonable people can differ in their assessments. As our collective knowledge and understanding of these mechanisms evolve, it is possible that the quantification of these scenarios may also change.

The results of the analysis indicate that despite a lack of direct exposure to climate-related risks, a scenario similar to the IPR could impact BlackRock's future revenues and profits. As such, BlackRock may be vulnerable to climate-related transition risks if BlackRock is not strategically positioned to capitalize on rapid, unexpected market shifts including fragmented policy implementation across jurisdictions in which BlackRock operates.

Nonetheless, BlackRock's diversified platform of alpha-seeking active, index, and cash management strategies across asset classes, positions BlackRock to serve our clients even during times of significant market repricing and/or a major transition in the world's energy and economic systems. Further, BlackRock is likely well-positioned to capitalize on opportunities to increase AUM, revenues, and market share if the firm is able to effectively anticipate changes in both markets and client preferences.

While we believe that BlackRock's business model would remain resilient and BlackRock would remain profitable, the analysis revealed a distinct divergence in BlackRock's potential future business growth depending on BlackRock's ongoing ability to adapt its product offerings and investment capabilities in a manner that is aligned to a well-below 2°C scenario. Failure to adjust the business model to the changing market and client preferences could lead to reduced market share and profitability, while successful business adaptation could lead to a growth of business and market share.

As discussed throughout this report, BlackRock has invested significant resources to build both the analytical capabilities and investment products to help our clients benefit from the policy shifts envisioned by the IPR, as well as to help assess and anticipate the associated risks. The results of the analysis reinforce the importance of both the continued investment in these capabilities including Aladdin Climate, ESG integration, and investment stewardship, and the expansion of sustainable investment product offerings.

Like all scenario analysis, the exercise is hypothetical and subject to uncertainties and limitations. For example, while the analysis was being conducted, the COVID-19 pandemic was unfolding. The market response to the crisis and magnitude of investor flows in March and April 2020 across asset classes informed and contributed to our discussions and thinking. These considerations will be re-evaluated in future climate scenario analysis exercises. In addition, we will continue to expand and evolve our scenario analysis to incorporate future market conditions.

Further, the analysis was concluded prior to the US Presidential election, the outcome of which will likely have significant implications for the trajectory of US climate policy.[42] Potential implications will be incorporated into future scenario analysis.

Indeed, scenario analysis has proven to be one of the most challenging aspects of the TCFD Recommendations for all companies. In its most recent Status Update, the TCFD reported that only one in fifteen companies utilizing the TCFD framework included information in their disclosures about the resilience of their strategies under different climate scenarios – a lower uptake than other TCFD Recommendations. In addition, the TCFD noted a lack of consistent public disclosures by asset managers against the TCFD Recommendations.[43] One of the challenges we faced in developing our scenario analysis was a lack of guidance specific to the asset manager business model. In the spirit of helping to advance the state of disclosure in our sector, we have provided a detailed discussion of our methodology and process used to develop our analysis. Please refer to the Appendix for additional details.

Investment analysis

BlackRock has also developed scenario analysis tools designed to help refine investors' considerations of the potential implications of physical climate-related risks on investment portfolios. One example related to physical climate risk is discussed below.

In 2019, BlackRock published the results of a pilot study on the physical risks of climate change in the US, in the BlackRock Investment Institute report, "Getting Physical". The research isolated financial impacts of physical climate risk. To account for uncertainty around future pathways, the research considered four scenarios ranging from the Intergovernmental Panel on Climate Change ("IPCC") "no climate action" scenario (RCP 8.5) that assumes continued burning of fossil fuels; to the "Decisive Action" scenario (RCP 2.6) that assumes aggressive policy actions to curb emissions, in addition to "Limited Action" and "Some Action" (RCP 4.5) scenarios.[44]

The research focused on three sectors with long-dated assets that can be located with precision: US municipal bonds, commercial mortgage-backed securities ("CMBS") and electric utilities. For the US municipal bond market, the research translates physical climate risks into implications for local GDP. For commercial real estate, hurricane and flood risk and estimate potential losses to the sector are evaluated. For US electric utilities, the exposure to climate risk of 269 publicly listed US utilities is assessed based on the physical location of their plants, property and equipment.

This analysis gives BlackRock's portfolio managers insight into the severity, dispersion, and trajectory of potential physical climate-related risks and helps them assess the extent to which these risks are priced by markets, which can inform investment decisions. Early findings suggest investors must rethink their assessment of vulnerabilities. We believe that weather events such as hurricanes and wildfires are currently underpriced in financial assets, including US utility equities. A rising share of municipal bond issuance is expected to come from regions facing climate-related economic losses. And our research shows that many high-risk commercial properties are outside official flood zones. We believe that understanding and integrating these insights on climate-related risks may help enhance portfolio returns and resilience.

While the initial analysis focused on assets and companies in the US, we plan to extend the analysis across regions, asset classes, and sectors as data availability improves.

Operations

In our operations, BlackRock pursues a sustainability strategy that seeks to decouple company growth from our impact on the environment, while increasing the efficiency and resiliency of our operations. Finding innovative ways to power our business with renewable energy, lower our emissions, and reduce waste, among other efforts, reduces our environmental impact. BlackRock has set targets for operational sustainability designed to reduce our carbon footprint.

BlackRock's operations are carbon neutral in Scope 1, Scope 2, and Scope 3 employee business travel, serviced offices, and co-located data center emissions.[45] Looking beyond 2020, we are working to establish updated targets that are aligned to climate science and plan to publish them in 2021. Exhibit 8 provides an overview of progress relative to the goals we have set for our operations. Exhibit 9 illustrates the relationship between BlackRock's revenue and Scope 1 and 2 (location-based) GHG emissions as an illustration of our progress towards decoupling our emissions from our revenue growth.

In June 2020, we achieved our 100% renewable energy goal to match the same amount of renewable electricity as the electricity that our global operations (including data centers) consume annually through procuring renewable energy directly where possible and through purchasing environmental attribute certificates[46] where we do not have operational control or renewable energy is not available. We contract directly for renewable energy wherever possible (approximately 50%) and where we do not have operational control to procure our own energy, we purchase environmental attribute certificates as a means of achieving our 100% renewable goal.

Exhibit 8: Progress towards select environmental sustainability targets

Category	Description	Progress to Date [a]	Target [b]
Emissions	Reduce facility location-based GHG emissions (electricity, stationary combustion, and refrigerants) per full-time employee	44%	45%
Renewable Energy	Match same amount of renewable electricity (in MWh) as the electricity that our global operations, including data centers, consume annually	100%	100%
Electricity	Reduce absolute global electricity consumption	1%	18%
Air Travel	Reduce air travel per employee	21%	20%
Paper	Reduce global paper consumption	44%	25% [c]
Waste	Increase global waste diversion from landfill	48%	75% [c]

a. Progress for operations indicators is as of Dec. 31, 2019 with a 2014 baseline unless otherwise noted.

b. All target dates as of year-end 2020

c. 2017 baseline

Travel

Prior to the COVID-19 crisis, which essentially halted employee travel, business travel has consistently been a significant source of carbon emissions for BlackRock's operations given our client-facing global business. Since 2017, we have elected to offset 100% of our travel-related emissions.[47] We also reduced air travel per employee by 21% as of year-end 2019 from a 2014 baseline. We attribute this reduction, in part, to our ongoing investment in our video conferencing capabilities, helping to make remote meetings both effective and practical. These investments not only make our operations more sustainable but support our resilience and ability to serve our clients even during the COVID-19 crisis.[48]

Electricity

Electricity is another significant source of carbon emissions. Since we began tracking our electricity use in 2014, our electricity consumption has decreased by 1% despite a 15% expansion in square footage and a 40% increase in headcount.[49] Because of this growth, we were unable to achieve our initial 2020 goal of an 18% reduction. However, we continue to focus on reducing electricity through partnering with our landlords and leveraging energy efficiencies. Exhibit 10 provides additional data on our change in headcount versus electricity consumption. We improve energy efficiency through the consolidation of our data centers, retrofitting for LED lighting, redesigning our office space use, and adjusting our heating, ventilation, and air conditioning systems to more closely correlate to occupancy.

Renewable Energy

We have made it a priority to not only become more energy efficient, but also to ensure that the energy we purchase comes from renewable sources, wherever possible. Our support for renewable energy goes hand in hand with reducing our carbon footprint and BlackRock's position as one of the world's largest investors in renewable energy assets. By increasing the efficiency of our operations and buying both renewable power and environmental attribute certificates where we do not have operational control to procure our own energy, we have achieved our 100% renewable energy goal.

Data Centers

Data centers are integral to supporting our operations globally. We have worked to make our data centers among the most efficient in the industry by designing, building, and operating them to maximize efficient use of energy, water, and materials.[50]

Paper

BlackRock set a 2020 paper reduction target of 25% in October 2017. As of year-end 2019, BlackRock has reduced paper use globally by 44%. We attribute this reduction to heightening of employee awareness, swipe technology, and standard double-sided print settings on all copiers.

Exhibit 9: Revenue v. GHG Emissions
For the year ended December 31, 2019

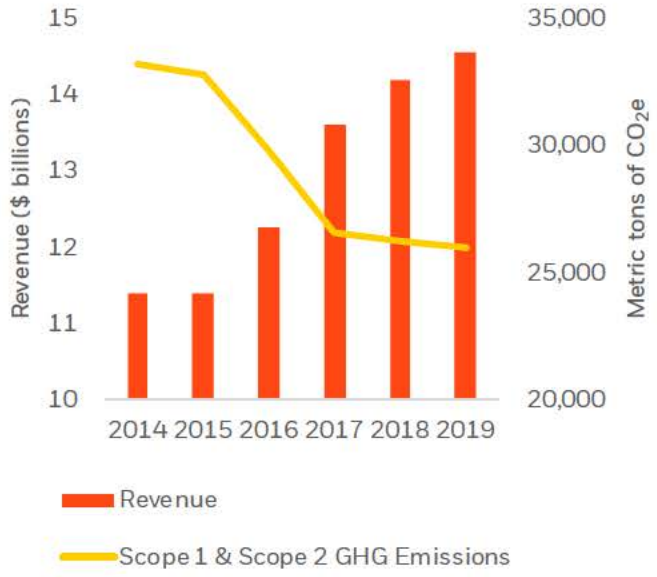
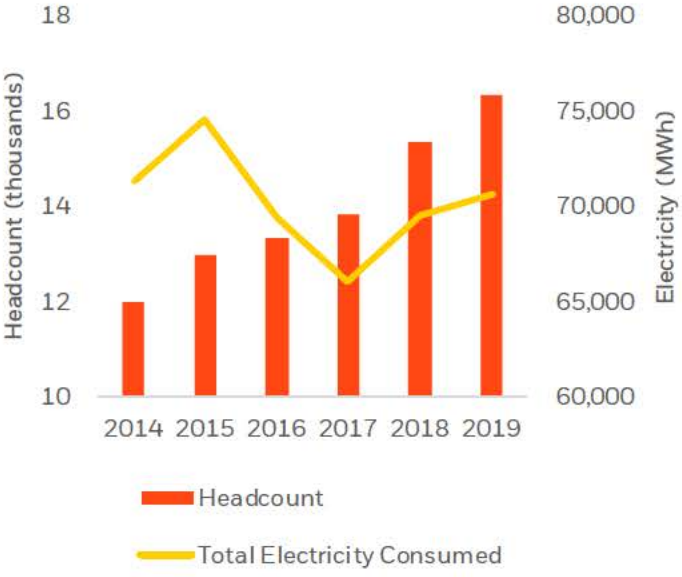


Exhibit 10: Headcount v. Electricity Consumption
For the year ended December 31, 2019



Waste

BlackRock began tracking waste in 2017. We face challenges in local waste practices for some cities in which we operate that have limited or no waste diversion practices. Additionally, as primarily a tenant in multi-tenant buildings, we are reliant on data provided by landlords' waste haulers, which may be less rigorous.

Nonetheless, employees, through Green Team Network ("GTN") initiatives, are encouraged to use less and recycle more through training, signage, and office wide initiatives. As of year-end 2019, we have reported a 48% diversion rate of waste from landfills.

Suppliers

For the year-ended 2019, BlackRock began an effort to measure Scope 3 Purchased Goods and Services emissions, which are reported in Exhibit 12. BlackRock Supplier Code of Conduct & Ethics states BlackRock's expectation that its suppliers comply with all applicable laws and regulations in relation to the protection of the environment and take active steps to continuously reduce their carbon footprint.

In addition, BlackRock's three cafeterias have committed to adopt the Fitwel Food and Beverage Standard. This includes increasing plant-based offerings, serving lean, high quality meats, and locally sourcing when possible.

Finally, BlackRock's Events Team has developed a Sustainable Events Playbook that includes prioritizing venues and suppliers that align with our sustainability standards.

Green Team Network

The Green Team Network ("GTN") is BlackRock's community of conservation-minded employees who aim to increase the sustainability of our offices, our homes, and our communities. As employees, GTN members are critical to bringing about a more sustainable culture at BlackRock. As of September 30, 2020, 46 offices host GTN chapters with 2,300 employees participating. Examples of GTN initiatives undertaken in partnership with our Facilities team include efforts to reduce single-use plastic, reduce paper use and waste, planting trees, and encouraging biodiversity in local communities.

In 2020, in light of the remote work environment due to the COVID-19 pandemic, the GTN ran two employee engagement campaigns to encourage conservation at home. The "Do One Thing" campaign focused on six things employees could do to reduce their impact on the environment at home, including adjusting water heater settings, unplugging unused electronics, getting educated on environmental issues, and reducing meat consumption. Over 1,300 pledges were made to adopt one or all of the behaviors. The GTN also ran a "Plastic Not Fantastic" campaign suggesting eight ways employees could reduce their plastic use at home.

Social Impact

BlackRock's Social Impact team partners with non-profits, corporations, and our employees to help more people find financial security and opportunity. The Social Impact team's employee engagement portfolio supports a number of programs that identify social entrepreneurs with disruptive and innovative ideas to address global social challenges. The accelerator programs have sub-portfolios of climate-focused entrepreneurs supported by BlackRock's grantee partners, including the Echoing Green Climate Change Fellowship, and the Draper Richards Kaplan Environment & Climate Change Fellows. The Echoing Green Climate Change Fellowship has invested $8.1 million in climate change solutions in over 41 countries, and includes 136 fellows and 105 organizations that help global communities mitigate and adapt to climate change. The Draper Richards Kaplan Environment & Climate Change Fellows portfolio is composed of 13 organizations, including Clean Energy Trust, Cloud to Street, GreenWave, OceanMind, and BoxPower. [51]

In February 2020, BlackRock made a charitable contribution of its 20% stake in PennyMac Financial Services, Inc. to the BlackRock Foundation, a newly established corporate foundation, and the BlackRock Charitable Fund, a donor-advised fund, which was established in 2013. The contribution will provide long-term funding for the firm's future philanthropic investments and partnerships focused on promoting sustainability and economic mobility and building a financial safety net for underserved and underemployed people.

Public Policy & Partnerships

BlackRock believes that corporate citizenship requires active engagement in important policy and regulatory debates. As part of our responsibility to deliver value for our shareholders and clients, BlackRock advocates for public policies that we believe are in our shareholders' and clients' long-term best interests. We support the creation of regulatory regimes that increase financial market transparency, protect investors, and facilitate responsible growth of capital markets, while preserving consumer choice and properly balancing benefits versus implementation costs.

BlackRock's approach to public policy engagement is described in Public Policy Engagement & Political Activities, which sets forth BlackRock's approach to the Governance of Public Policy Engagement, Trade Associations, and Political Participation.

BlackRock's engagement on public policy issues is coordinated by the Global Public Policy Group ("GPPG"). BlackRock's Board Nominating and Governance Committee ("NGC") periodically reviews BlackRock's public policy and advocacy activities, including lobbying priorities, political contributions and memberships in trade associations. GPPG leadership periodically attends meetings of the Board's Risk Committee and NGC to keep these committees apprised of legislative and regulatory priorities as well as advocacy initiatives. In May 2020, the Global Head of Public Policy presented to the NGC on public policy priorities including how BlackRock is advocating for standardized frameworks around sustainable investment product naming and disclosure.

As it relates to climate and sustainability-related policy matters, BlackRock strives to engage constructively in the global dialogue in the following ways:

- Supporting the development of sustainable finance through thought leadership and industry partnerships;
- Encouraging issuer disclosure standards that support investors' abilities to evaluate sustainability- and climate-related risks and opportunities; and
- Advancing industry dialogue on sustainable investment product naming and disclosure to prevent "greenwashing".

BlackRock comments on public policy topics through, among other things: *ViewPoints*, comment letters, and consultation responses that are submitted to policy makers. We believe in the value of open dialogue and transparency on these important issues. As such, our position papers and comment letters are publicly available on www.blackrock.com/publicpolicy.

Sustainable Finance. We contribute to the policy dialogue by offering technical expertise and research as to how climate-related risks may affect capital markets and investments. For example, in 2020 BlackRock's Global Head of ESG Integration joined the Task Force on Scaling Voluntary Carbon Offset Markets, a private sector-led initiative working to build an effective, efficient, and functioning voluntary carbon offset market to help meet the goals of the Paris Climate Agreement.[52]

In addition, BlackRock contributed to a report on measuring portfolio alignment and assessing the position of companies and portfolios on the path to net zero.[53] Also in 2020, BlackRock contributed to the development of a report by the G30 Working Group on Climate Change and Finance, entitled "Mainstreaming the Transition to a Net Zero Economy." The report provides recommendations for policy makers with respect to effective policy actions needed to effectuate the energy transition in a just and orderly manner. [54]

In addition, BlackRock participates in the Climate Financial Risk Forum ("CFRF") co-chaired by UK FCA and the UK Prudential Regulatory Authority, a working group that seeks to develop and share best practices among financial regulators and industry participants to advance approaches related to the management of financial risks from climate change. In June 2020, the CFRF published a guide to climate-related financial risk management that BlackRock contributed to, which focused on climate-related disclosures, innovation, scenario analysis and risk management.[55]

In July 2020, BlackRock provided comments to the Department of Labor's proposed rule on "Financial Factors in Selecting Plan Investments" (the "DoL Proposal") highlighting our concern that the DoL Proposal could interfere with plan fiduciaries' abilities and willingness to consider financially material ESG factors. BlackRock provided recommendations that aimed at helping the Department of Labor improve the DoL Proposal, while mitigating the potential burdens the DoL Proposal would have placed on plan fiduciaries. We were pleased to see several of our suggestions incorporated into the final rule.

In 2019, BlackRock contributed to the Vatican's Dicastery for Promoting Integral Human Development and the University of Notre Dame's second dialogue on "The Energy Transition and Care for Our Common Home." BlackRock signed both resulting statements, highlighting our view that "a significant acceleration of the transition to a low-carbon future beyond current projections requires sustained, large-scale action and additional technological solutions to keep global warming below 2°C while advancing human and economic prosperity" and called for action on climate risk disclosure and carbon pricing.[56]

BlackRock also commits to supporting members of the One Planet Sovereign Wealth Funds in their implementation of the One Planet Sovereign Wealth Fund Framework, which calls for integrating climate-related risks and opportunities into investment management by sovereign wealth funds and the broader market. This supports our commitment to helping sovereign wealth fund clients realize the commitments they have made under this framework. In addition, BlackRock, together with the support of the Governments of France and Germany and three foundations, has launched the Climate Finance Partnership ("CFP"), which will seek to provide institutional investors access to emerging market climate infrastructure opportunities in a novel, risk-adjusted, manner.

Finally, BlackRock publishes research and thought leadership to help shape the dialogue around investment risks presented by climate change. For example, BlackRock published the results of a pilot study on the physical risks of climate change in "Getting Physical" in 2019 as discussed on page 26. In 2020, BlackRock published "Troubled Waters: Financial Risks of Water Scarcity," a paper that highlighted that water scarcity due to population growth, urbanization, and climate change may have wide ranging implications across asset classes, which investors are not fully pricing in. This comes on top of other growing physical climate risks such as exposure to flooding and extreme weather events.

Corporate Sustainability Disclosures & TCFD Advocacy: Enabling investors to better identify, assess, measure, and monitor sustainability-related risks and opportunities is crucial to our role as stewards for our clients' capital. We believe company valuations can be significantly influenced by these risks. As such, better quality reporting and data would support more accurate asset pricing and enhance understanding of the drivers of risk and value in companies' business models as well as our ability to advocate for sound governance and business practices. For this reason, in January 2020, we asked the companies that we invest in on behalf of our clients to publish reports that align with the Sustainability Accounting Standards Board ("SASB") standards and the TCFD recommendations.

BlackRock's public policy efforts primarily focus on advocating for the SASB and TCFD frameworks in support of consistent reporting standards for corporate issuers. In 2020, BlackRock provided comments in support of several policy efforts to encourage TCFD reporting. For example, we responded to the UK Financial Conduct Authority ("FCA") proposal to apply the TCFD framework to UK publicly listed issuers.[57] We welcomed the subsequent announcement by the UK Government to introduce mandatory TCFD reporting by 2025. In our response to the FCA, we advocated for mandatory reporting on all publicly listed companies from 2021. We also submitted comments to the UK Department for Work and Pensions regarding proposed mandatory TCFD Reporting for large occupational pension schemes.[58]

Going forward, BlackRock will continue to advocate for TCFD and SASB-aligned reporting, in addition to supporting convergence of the private sector reporting frameworks and standards to establish a globally consistent approach to sustainability reporting under a common governance framework.[59] BlackRock believes the optimal outcome and the one most likely to succeed is the one proposed by the International Financial Reporting Standards ("IFRS") Foundation[60] that would establish a sustainability standards board working with the existing initiatives and building upon their efforts.

Sustainable Product Standards & Disclosures: Addressing the problem of 'greenwashing' is a key feature of many policy efforts in a number of jurisdictions. We are strongly supportive of efforts to provide end-investors with more clarity regarding investment products' sustainability characteristics and claims. This starts with promoting a framework that encourages asset managers to find a common language in how they name and describe sustainable investment products. The objective is to reduce investor confusion about what exactly a 'sustainable investment product' is and to enable end-investors and their advisors to easily find the products that meet their investment preferences and objectives.

In January 2020, BlackRock published a *ViewPoint*, entitled Towards a Common Language for Sustainable Investing., which highlighted the importance of clear and consistent sustainability terminology. A key component of putting sustainability at the core of how BlackRock manages risk, constructs portfolios, designs products, and engages with companies, is achieving a common understanding of how to discuss, analyze and classify ESG products. This requires a standardized taxonomy across investment product naming conventions, corporate issuer disclosures, and sustainable economic activity.

We have advocated for clear and consistent naming conventions for ESG products across the industry, so that investors can make informed decisions when they invest in an investment product that is referred to as a sustainable investment product. BlackRock has also participated in Investment Company Institute ("ICI")[61] and the Institute of International Finance ("IIF")[62] efforts to encourage broader adoption of sustainable investment product naming standards. We recommend policy makers establish sustainable investment product naming standards with the objective of global consistency, as many products are offered in multiple jurisdictions.

Beyond clearer naming standards, combatting 'greenwashing' also entails consistent and decision-useful sustainability metrics and disclosures by investment products on an ongoing basis. This helps aid investment decision-making by end-investors, but importantly, helps substantiate whether or not investment products are living up to the claims that they make.

Sustainability-related information is of growing importance to a wide range of end-investors. Pages 39 and 40 provide an overview of the disclosures BlackRock is providing for its publicly offered investment funds. These disclosures are designed to help investors identify product characteristics and find the products that meet their investment preferences and needs.

Electronic delivery ("E-delivery") of investment documents: BlackRock has long advocated for the electronic delivery of fund and retirement plan documents as the default mechanism for communication with investors. E-delivery is environmentally friendly, as it reduces the use of paper and related printing and mailing resources. In addition, e-delivery provides cost savings for investors and makes it easier for individuals to receive information in real time on their computers or mobile devices.

In the US, the SEC has taken positive steps to facilitate e-delivery of mutual fund shareholder reports through the adoption of Rule 30e-3, which allows Registered Investment Companies to transmit shareholder reports electronically (subject to certain requirements). The ICI estimated that the adoption of Rule 30e-3 would save 1.87 million trees annually.[63] Rule 30e-3 is effective beginning January 2021. We have long advocated for e-delivery given its benefits to investors and the environment, and we have encouraged the SEC to allow e-delivery as the default transmission mechanism beyond what they accomplished with 30e-3. In November 2020, the SEC Asset Management Advisory Committee recommended that the SEC further expand e-delivery. [64]

In Europe, as new legislative initiatives have been brought in, we have sought to maximize the opportunities for digital dissemination. BlackRock produces approximately 50,000 Undertakings for the Collective Investment in Transferable Securities ("UCITS") Key Investor Information Documents a year in multiple languages and we use our website as our primary delivery mechanism. We have also consistently advocated for key information disclosure documents, including UCITS, packaged retail investment, and insurance-based investment products and pan European personal pension products to be designed on a digitally friendly basis rather than on a paper basis.[65]

Risk Management

Disclose how the organization identifies, assesses, and manages climate-related risks.

An integral part of BlackRock's identity is the core belief that rigorous risk management is critical to the delivery of high-quality asset management services.

BlackRock employs a three-lines of defense approach to managing risks in client portfolios. BlackRock's investment teams and business management are the primary risk owners, or first line of defense. Portfolio managers and research analysts are responsible for evaluating the material environmental (as well as social and governance) risks and opportunities for an industry or company just as they consider other potential economic issues related to their investments. Examples of fundamental climate change risks taken into account include: risks from regulatory change or litigation, and exposure to physical impacts such as flooding or other extreme weather events or changes in temperature. In addition, BlackRock is developing risk tools that monitor exposure to carbon intensive assets as a way to better understand potential transition risks.

BlackRock's risk management function, RQA, serves as a key part of the second line of defense in BlackRock's risk management framework. RQA partners with portfolio teams and business management to help them understand, monitor, manage, and report risks, including ESG-related risks. In addition to producing quantitative analysis to support BlackRock in managing its fiduciary and enterprise risks, RQA works with portfolio managers to help ensure that portfolio risks are consistent across mandates, reflect current investment themes within particular strategies, and are consistent with clients' reasonable expectations. RQA evaluates material ESG risks, including climate risk, during its regular reviews with portfolio managers to provide oversight of portfolio managers' consideration of these risks in their investment processes. This helps to ensure that such risks are understood, deliberate, diversified and scaled, and are consistent with client objectives.

BSI partners with RQA to review and monitor ESG risk exposure at the investment group level, providing rigor and consistency across our diverse investment platform. RQA and BSI work with investment leadership to create ESG risk dashboards and standard reporting practices, leveraging the capabilities of Aladdin.

The third line of defense, BlackRock's Internal Audit function, operates as an assurance function. The mandate of Internal Audit is to objectively assess the adequacy and effectiveness of BlackRock's internal control environment in order to improve risk management, control, and governance processes.

Business Continuity Risk Management

BlackRock is committed to providing high-quality, resilient services to its clients. Significant resources and effort are dedicated to the Business Continuity Management ("BCM") and technology Disaster Recovery ("DR") programs designed to meet or exceed legal and regulatory obligations in the locations in which we operate.

BlackRock maintains business continuity plans to facilitate the continuity of business in the event of a business disruption. BlackRock's executive management provides oversight and governance to the firm's BCM program, supported by the BCM team, which manages the program.

BlackRock's Enterprise Resilience Team conducts assessments of our physical locations to create individual site risk models and plans for our offices and data centers that are then incorporated into our risk management framework and reported on a monthly basis to the firm's risk management committees. These risk models consider climate-related risks, including severe weather, wildfires, and flooding.

BlackRock uses predictive weather modeling to assess risks from natural disasters across multiple phases, including site selection, facility design processes, and routine facility management operations. Evaluation criteria include scale and type of energy use, GHG emissions, local climate, facility type, location, occupancy status, and potential financial impact.

Metrics & Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

In January, BlackRock announced commitments to establish Sustainability as BlackRock's New Standard for Investing centered around three themes:

1) building sustainable, resilient, and transparent portfolios;
2) increasing access to sustainable investing; and
3) enhancing sustainability and transparency in investment stewardship.

We have made significant progress towards the goals we set out, including achieving our 100% ESG integration goal for active strategies. For more detail on our progress, see 2020 sustainability actions.

In addition, BlackRock utilizes three main categories of metrics, as follows:

- **Business Indicators.** Exhibit 11 provides business indicator metrics across sustainable investing, ESG integration, and investment stewardship.
- **Corporate GHG Emissions.** We report Scope 1, Scope 2, and Scope 3 GHG emissions, where possible. We obtain third-party verification for our Scopes 1 and 2 emissions, as well as for select Scope 3 categories: business travel, fuel-and energy-related activities ("FERA"), employee commuting related to employee shuttles in India, upstream leased assets, and waste GHG emissions data and collection process.[1] Exhibit 12 provides BlackRock's corporate GHG emissions metrics, in addition to select intensity and energy metrics.

  With respect to Scope 3 (Investments), methodologies are still emerging and data gaps for certain asset classes make it difficult to measure this category comprehensively. Nonetheless, we recognize the importance of reporting this information and we are investing in the effort with a goal to report additional information on Scope 3 (Investments) in 2021.
- **Product-Level Carbon Footprint Metrics.** BlackRock manages thousands of portfolios, each with their own investment strategy, guidelines, and constraints. As an asset manager, one of the most important components of the transparency we provide is with respect to the investment products that we offer to our clients.

  Transparency helps investors make informed decisions as to which investment products are most appropriate to address their financial needs. We want investors to be able to clearly see the sustainability characteristics of their investments, including the carbon footprint of the portfolios we manage on our clients' behalf.

  As such, we make ESG metrics, including carbon intensity, publicly available for publicly-offered funds managed by BlackRock, including iShares ETFs and BlackRock mutual funds. As of October 2020, ESG metrics are publicly available for funds totaling $2.6 trillion in AUM, including $2.1 trillion in AUM for which weighted-average carbon intensity ("WACI") data are reported, representing 93% and 76%, respectively, of our AUM in publicly offered funds.[2]

  For separate account clients, we make this data available directly to the client upon request. In addition to supporting our clients in considering climate and other sustainability-related risks to which a given fund may be subject, making this data available to our clients supports our clients' abilities to report GHG emissions data for their investments. On pages 39 and 40, we provide an example of the product-level disclosure provided to clients.

Our 2020 sustainability actions

We believe in the power of transparency to hold ourselves and others accountable for continuous progress.

In January 2020, BlackRock wrote to clients outlining our conviction that sustainability risk – and climate risk in particular – is investment risk. We committed to making sustainability a key component of the way BlackRock manages risk, constructs portfolios, designs products, and engages with companies.

Here are a few highlights from this year.

Sou ce: **a** As of September 30, 2020.

Sou ce: **b** Data is January 1, 2020 to October 31, 2020. Global Use of SASB Standa ds. Available at https://www.sasbo g/global-use/ Learn more about TCFD at https://www.fsb-tcfd.org/

*https://www.blackrock.com/corporate/about-us/our-2020- sustainability-actions

Integrating ESG

We delivered on our goal of having 100% of our approximately 5,600 active and advisory BlackRock strategies ESG integrated – covering more than US$2.7 trillion in assets.[a]

Increasing access

Helping clients allocate $39 billion[a] to sustainable investment strategies, which helped increase our sustainable AUM to $152 billion.

New climate risk tools

Aladdin Climate launched, setting a new standard for assessing environmental risks across all asset classes in investment portfolios.

Improving ESG data

We added nearly 1,200 sustainability metrics to Aladdin and established data partnerships with Sustainalytics, Refinitiv, and Rhodium to help clients better understand ESG and physical climate risks.

Pioneering sustainability

BlackRock pioneered new sustainable strategies with the first dedicated ESG solution in Mexico and, in the US, the first index-based target-date ESG funds, and the first suite of single-ticker ESG asset allocation ETFs.

Intensifying engagement and transparency

Increased transparency with more than 50 Vote Bulletins on high-profile votes and saw a 288% increase in Sustainability Accounting Standards Board (SASB) reporters since our call for SASB and reporting aligned with the Task Force on Climate-related Disclosures (TCFD).[b]

Read the full report*

Learn more about BlackRock's Corporate Sustainability
http://www.blackrock.com/corporate/sustainability

Exhibit 11: Business Indicators

Business Indicators	2018	2019	2020 [b]	% change 2018-2020
Sustainable Investing AUM ($ billions) [a]	$52	$107	$152	192%
Flows into Sustainable Products ($ billions)	-	$34	$39	-
ESG Screened AUM ($ billions)	$444	$547	$573	29%
ESG Integrated Active & Advisory Investment Portfolios (%)	-	-	100%	-
Investment Stewardship Team Size	36	45	50	39%
Total Investment Stewardship Engagements [c]	2,049	2,050	3,043	49%
Total Investment Stewardship Engagements on Environment-Related Issues (# of engagements) [d]	301	316	1,260	319%
Climate-Related Voting Action Taken (# companies) [e]	4	5	63	1475%

a. Sustainable investment products include products with broad market ESG exposure ("Broad") or pursue a specific E, S, G, or Sustainable Development Goal ("SDG") issue ("Thematic") and impact investments that have an intent to contribute to measurable positive envi onmental, social, or SDG outcomes, alongside financial returns. Our definition of impact investments is in line with the International Finance Corporation's Operating Principles for Impact Management. Calculations are using exact figures, so percentage change calculations using the rounded figures above may not tie.

b. Sustainable investing AUM is as of Sep. 30, 2020, ESG integration is as of November 30,2020, and investment stewardship data is for the period between July 1, 2019 - November 30 2020.

c. BlackRock counts only direct interaction as an engagement. We also write letters to raise companies' awareness of thematic issues on which we are focused or changes in policy, but this outreach is considered distinct from engagement as it is difficult to monitor the effectiveness of letter writing without direct interaction.

d. In 2020 the BIS team intensified its focus and dialogue with companies on environmental topics (including climate risk), increasing by nearly four times the number of engagements BIS had on the topic in the prior year. Environmental topics include board oversight of climate risk management, adaptation strategies for the transition to a low-carbon economy, climate-related disclosure frameworks, environmental impact management, and operational sustainability (e.g., waste, water, energy use and efficiency, packaging, product life-cycle management, supply chain-related environmental impacts, and deforestation risks).

e. Data in each column is as of the 12-month period ended June 30 in the year in question, except for 2020 in which data is between July 1, 2019 and November 30 2020. BIS took voting action against 63 companies for their failure to make sufficient progress regarding climate risk disclosure or management. BlackRock has been engaging with companies for several years on their prog ess on TCFD- and SASB-aligned reporting and long-term plans to contribute to the ene gy transition. Given that both the TCFD and SASB frameworks were finalized within the past three years and require an in-depth review of a company's business, a period of familiarization proved necessary. However, we believe the period of acclimation is over and expect companies to increasingly align their eporting and business practices with the recommendations of both frameworks.

Exhibit 12: Corporate GHG Emissions

(in metric tons of CO_2e	2014	2015	2016	2017	2018	2019	% change[a]
Scope 1 and 2							
Scope 1	5,756	4,758	4,281	5,050	4,805	5,589	(3%)
Scope 2 Location-Based Approach	27,409	28,003	25,518	21,539	21,392	20,369	(26%)
Scope 2 Market-Based Approach	27,409	22,976	15,432	5,404	4,750	0	(100%)
Total Scope 1 and Scope 2 (location-based)	33,165	32,761	29,799	26,589	26,198	25,958	(22%)
Total Scope 1 and Scope 2 (market-based)	33,165	27,734	19,713	10,454	9,555	5,589	(83%)

	(in metric tons of CO_2e)	2017	2018	2019	% change [b]
Upstream	1. Purchased Goods & Services [c]	-	-	373,032	-
	2. Capital Goods [c]	-	-	15,521	-
	3. Fuel- and Energy-Related Activities (location-based)[d]	5,809	8,100	7,865	35%
	4. Transportation & Distribution (T&D) [e]	-	-	-	-
	5. Waste Generated in Operations [f]	818	637	1,162	42%
	6. Business Travel [g]	39,238	45,384	39,116	(0.3%)
	7. Employee Commuting (employee shuttles in India) [h]	611	837	1,161	90%
	8. Leased Assets (location-based)	596	674	777	30%
Downstream	9. Transportation & Distribution	Not Relevant			
	10. Processing of Sold Products	Not Relevant			
	11. Use of Sold Products	Not Relevant			
	12. End-of-Life Treatment of Sold Products	Not Relevant			
	13. Leased Assets [i]	Not Relevant			
	14. Franchises	Not Relevant			
	15. Investments	Weighted-average carbon intensity reported at product level; Additional reporting on this category in 2021			
Electricity					
	Total Electricity Consumed (MWh)	66,097	69,540	70,605	7%
	Percent Renewable Energy	86%	89%	100%	-
Intensity Metrics					
	Total Scope 1 & Scope 2 GHG Emissions per $1 million revenue	2.0	1.8	1.8	(10%)
	Facilities tCO_2e per Employee [j]	1.9	1.7	1.6	(16%)
	Scope 3 Business Travel tCO_2e per Employee [j]	2.8	2.9	2.3	(18%)

Footnotes to Exhibit 12

a) Percentage change versus 2014 baseline unless otherwise specified. Calculations are using exact figures, so percentage change calculations using the rounded figures above may not tie exactly.

b) Percentage change versus 2017 baseline unless otherwise specified. Calculations are using exact figures, so percentage change calculations using the rounded figures above may not tie exactly.

c) Estimated, unaudited figure.

d) Fuel and energy-related activities that are not included in Scope 1 & 2

e) Transportation and Distribution figures are included in Fuel- and Energy-Related Activities .

f) This figure is estimated. To calculate this figure, BlackRock collected waste data from representative sites. Total emissions are then extrapolated based on the total headcount of the company.

g) Business travel includes air travel, car rentals, car service, and rail.

h) Employee commuting emissions are calculated from shuttles transporting employees from their home to work at our India offices. This is not a comprehensive measure of emissions from employee commuting in locations outside of India.

i) Upstream leased assets emissions are for unmanned data centers and serviced office suites.

j) Denominator includes full time employees and contingent workers

TCFD Supplemental Guidance for Asset Managers

The TCFD Supplemental Guidance for Asset Managers states that asset managers should "provide the weighted average carbon intensity, where data are available or can be reasonably estimated, for each product or investment strategy."[3]

In accordance with the TCFD recommendations, we provide transparent, publicly available data on sustainability characteristics – including exposure to controversial holdings and weighted-average carbon intensity ("WACI") on iShares ETFs and BlackRock mutual funds. Exhibits 13A and 13B provide examples of the disclosure provided to investors.

Weighted-average carbon intensity ("WACI") measures a portfolio's exposure to carbon intensive companies by representing the estimated GHG emissions per $1 million in sales across the fund's holdings.

Starting in April 2020, we made ESG metrics publicly available for publicly-offered funds managed by BlackRock, including iShares ETFs and BlackRock mutual funds, representing a total of $2.6 trillion in AUM, and approximately 93% of publicly-offered funds globally.[4] This disclosure includes portfolio WACI for $2.1 trillion in AUM representing 76% of publicly-offered funds globally. For separate account clients, we make this data available directly to the client upon request, where possible.

Exhibit 13A: Illustrative Example of Product-Level Sustainability Disclosures

Sustainability Characteristics

Sustainability Characteristics can help investors integrate non-financial, sustainability considerations into their investment process. These metrics enable investors to evaluate funds based on their environmental, social, and governance (ESG) risks and opportunities. This analysis can provide insight into the effective management and long-term financial prospects of a fund.

The metrics below have been provided for transparency and informational purposes only. The existence of an ESG rating is not indicative of how or whether ESG factors will be integrated into a fund. **The metrics are based on MSCI ESG Fund Ratings and, unless otherwise stated in fund documentation and included within a fund's investment objective, do not change a fund's investment objective or constrain the fund's investable universe, and there is no indication that an ESG or Impact focused investment strategy or exclusionary screens will be adopted by a fund.** For more information regarding a fund's investment strategy, please see the fund's prospectus.

Review the MSCI methodology behind Sustainability Characteristics using links **below**.

MSCI ESG Fund Rating (AAA-CCC) as of 01-Nov-20	A	MSCI ESG Quality Score (0-10) as of 01-Nov-20	8.70
MSCI ESG Quality Score - Peer Percentile as of 01-Nov-20	66.74	MSCI ESG % Coverage as of 01-Nov-20	99.46
Fund Lipper Global Classification as of 01-Nov-20	Equity US	MSCI Weighted Average Carbon Intensity (Tons CO2E/$M SALES) as of 01-Nov-20	143.58
Funds in Peer Group as of 01-Nov-20	3,265		

All data is from MSCI ESG Fund Ratings as of 01-Nov-20, based on holdings as of 31-Aug-20. As such, the fund's sustainable characteristics may differ from MSCI ESG Fund Ratings from time to time.

To be included in MSCI ESG Fund Ratings, 65% of the fund's gross weight must come from securities covered by MSCI ESG Research (certain cash positions and other asset types deemed not relevant for ESG analysis by MSCI are removed prior to calculating a fund's gross weight; the absolute values of short positions are included but treated as uncovered), the fund's holdings date must be less than one year old, and the fund must have at least ten securities. For newly launched funds, sustainability characteristics are typically available 6 months after launch.

Exhibit 13B: Illustrative Example of Product-Level Sustainability Disclosures (contd.)

Business Involvement

Business Involvement metrics can help investors gain a more comprehensive view of specific activities in which a fund may be exposed through its investments.

Business Involvement metrics are not indicative of a fund's investment objective, and, unless otherwise stated in fund documentation and included within a fund's investment objective, do not change a fund's investment objective or constrain the fund's investable universe, and there is no indication that an ESG or Impact focused investment strategy or exclusionary screens will be adopted by a fund. For more information regarding a fund's investment strategy, please see the fund's prospectus.

Review the MSCI methodology behind the Business Involvement metrics, using links **below**.

MSCI - Controversial Weapons as of 30-Nov-20	0.94%	MSCI - UN Global Compact Violators as of 30-Nov-20	0.82%
MSCI - Nuclear Weapons as of 30-Nov-20	0.72%	MSCI - Thermal Coal as of 30-Nov-20	0.00%
MSCI - Civilian Firearms as of 30-Nov-20	0.16%	MSCI - Oil Sands as of 30-Nov-20	0.02%
MSCI - Tobacco as of 30-Nov-20	0.64%		

Business Involvement Coverage as of 30-Nov-20	99.65%	**Percentage of Fund not covered** as of 30-Nov-20	0.35%

BlackRock business involvement exposures as shown above for Thermal Coal and Oil Sands are calculated and reported for companies that generate more than 5% of revenue from thermal coal or oil sands as defined by MSCI ESG Research. For the exposure to companies that generate any revenue from thermal coal or oil sands (at a 0% revenue threshold), as defined by MSCI ESG Research, it is as follows: Thermal Coal 0.14% and for Oil Sands 1.25%.

Business Involvement metrics are calculated by BlackRock using data from MSCI ESG Research which provides a profile of each company's specific business involvement. BlackRock leverages this data to provide a summed up view across holdings and translates it to a fund's market value exposure to the listed Business Involvement areas above.

Business Involvement metrics are designed only to identify companies where MSCI has conducted research and identified as having involvement in the covered activity. As a result, it is possible there is additional involvement in these covered activities where MSCI does not have coverage. This information should not be used to produce comprehensive lists of companies without involvement. Business Involvement metrics are only displayed if at least 1% of the fund's gross weight includes securities covered by MSCI ESG Research.

It is worth noting that, a large portion of the assets that BlackRock manages are held in index portfolios. These products provide numerous benefits to our clients by democratizing access to diversified and professionally managed portfolios for millions of investors around the world. Index funds, by their very nature, are meant to reflect the underlying markets in which they invest. As such, the WACI of index funds reflect the carbon intensity of the underlying markets in which those funds invest. For illustrative purposes, Exhibit 14 provides examples of the WACI of several representative index portfolios, along with other details on sustainability screens and characteristics of the underlying index.

Exhibit 14: Illustrative Examples of WACI for Representative Index Portfolios

Index Portfolio Description	WACI (tCO_2e/US $ million sales)	Data Coverage
Developed Market Equities (ex. US/Canada) – Large/Mid Cap	133.52	98.7%
Developed Market Equities (ex. US/Canada) – Growth	62.11	98.8%
Developed Market Equities (ex. US/Canada) – Value	211.19	98.6%
Developed Market Equities (ex. US) - Dividend	495.77	97.4%
Emerging Markets Equities	265.93	98.0%
European Equities – All Cap	136.25	98.6%
Pacific Basin (ex Japan) Equities – Large Cap	231.43	99.1%
US Equities – Large Cap	148.95	99.5%
US Equities - Large/Mid Cap Growth	30.71	98.9%
US Equities – Momentum Factor	64.45	98.9%
US Equities – Value Factor	168.03	98.8%
US Equities – High Dividend	465.72	99.7%
US Equities – Quality Factor	118.72	99.6%

As of Sept. 30, 2020. For disclosures of WACI for additional funds managed by BlackRock, please visit www.iShares®.com. The WACI measure used for these portfolios is attributable to MSCI. iShares anticipates that the carbon emission numbers seen here will change over time. Updates will be eflected on www.ishares.com.

Appendix: Scenario Analysis

Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

Over the past year, BlackRock's Chief Corporate Sustainability Officer convened a cross-functional working group comprised of members of relevant subject-matter experts across the firm (the "Working Group") to conduct enterprise-level climate scenario analysis. The exercise was conducted to assess climate-related risks and opportunities and the resilience of BlackRock's strategy, taking into consideration different climate-related scenarios.

The journey of both conceptualizing and modelling our climate scenario analysis was a challenging one – and will evolve as standards around data and scenarios emerge across the industry. Nonetheless, given the critical and urgent need to incorporate effective climate scenario analysis into companies' long-term strategic planning, including BlackRock's, we sought to establish a framework that we could build upon over time. We hope that by disclosing our framework, we can help inspire greater disclosure and industry dialogue around scenario analysis. The following sections discuss our approach and our process for the analysis.

Background

To appropriately incorporate the potential effects of climate change into organizations' planning processes, the TCFD states that businesses "need to consider how climate-related risks and opportunities may evolve and their potential business implications under different conditions."[1] Larry Fink's 2020 Letter to CEO's underscored the importance of climate scenario analysis by asking the companies in which BlackRock invests on behalf of our clients to disclose their "plan for operating under a scenario where the Paris Agreement's goal of limiting global warming to less than two degrees is fully realized."[2]

Scenario analysis is a tool used to inform assessments of the resilience of an organization's business or investment strategy to disruptions and/or its ability to adapt to changes or uncertainties that might affect the organization's performance. In the case of climate change, climate-related scenario analysis allows an organization to develop insight into how climate-related physical and transition risks and opportunities might impact the business over time.

While scenario analysis is a well-established method for BlackRock that is used in our strategic planning, the incorporation of climate-related scenarios represented a significant advancement, particularly as climate scenarios reflect a much longer time horizon than other types of scenarios typically utilized for financial planning. Importantly, the objective of climate scenario analysis is not to predict the future, but rather to hone our understanding of climate-related risks to which BlackRock may be exposed.

Overview of Process

The Working Group took the following steps, detailed in each ensuing section:

A. Risk identification: Identified key climate-related risks to BlackRock

B. Scenario Development: Developed climate scenario, leveraging available scenarios (in particular the UN PRI Inevitable Policy Response) as a starting point. The emphasis in the first order was on 2°C or lower scenarios, in line with the TCFD recommendations.

C. Scenario Implementation:

- Identified required data inputs and analytical specifications
- Conducted internal workshops to discuss the implications of the scenario for our business and developed assumptions around data inputs not included in pre-specified scenarios
- Updated analytical specifications based on internal workshops to produce final output
- Discussed findings and implications for the resilience of BlackRock's business strategy
- Identified next steps to evolve the analysis

Risk Identification

The Working Group evaluated climate-related risks relevant to BlackRock's business referencing guidance provided by the TCFD.[3] Four key climate-related risks were identified, as shown in Exhibit 7. Importantly, as discussed on page 23 of this report, BlackRock's exposure to climate-related risk is primarily indirect, affecting potential future revenue and expenses, rather than our balance sheet. The Working Group determined that BlackRock's enterprise climate scenario analysis should focus on climate-related impacts to: 1) the valuation of assets under management ("AUM") and the associated management fees generated by that AUM, and 2) flows into and out of BlackRock product offerings due to changing client preferences or regulation.

Scenario Development

While we recognize that both transition and physical risks to markets could affect BlackRock's future profitability, the Working Group decided to utilize a transition risk scenario as a starting point, as we determined that transition risks are more likely to have a significant impact on our business and would be more likely to affect BlackRock in the short- to medium-term.[4] Based on the conclusions from our risk identification process, the Working Group determined that the most relevant climate scenario would emerge from an event that had a significant impact on asset valuations and associated management fees as well as client flows into and out of BlackRock products and amongst different products managed by BlackRock due to asset class and investment strategy re-allocation.

The Working Group reviewed a series of available climate transition scenarios. The top scenarios considered by the Working Group were the International Energy Agency ("IEA") Sustainable Development Scenario ("SDS"), the Intergovernmental Panel on Climate Change ("IPCC") Representative Concentration Pathway 2.6 ("RCP 2.6"), and the UN Principles for Responsible Investing's ("PRI") Inevitable Policy Response ("IPR"). Key aspects of each scenario that were discussed are outlined in Figure A.1.

From the scenarios considered, we concluded that the most disruptive climate scenario would emerge from an event that had a significant impact on asset valuations and client flows. In that regard, the Working Group determined to pursue a scenario that modeled a market repricing due to a forceful public policy response in line with meeting a well below-2°C warming target, as defined by the Paris Agreement. With this context, the UN PRI IPR scenario appeared plausible, distinctive, and supportive of our analysis. In addition, the IPR focuses on decisive action from governments within the next five years to reach the goals of the Paris Agreement, which we determined was a relevant and important transition risk to consider for our business. Furthermore, the IPR was designed with an investor use-case in mind, providing specific equity and fixed income market shocks that could be applied efficiently to our analysis.

The IPR scenario's premise is that a forceful policy response to climate change in the near-term to meet the goals of the Paris Agreement is 'inevitable' and that these policy changes are not yet fully priced into markets.

Figure A.1: Overview of Transition Risk Scenarios

	1 SDS	2 IPR	3 RCP 2.6
Description	• Temperature: 1.7°-1.8°C (50% chance of achieving 1.65°C) • Focused on detailed energy mix projections to achieve a sub-2°C target	• Temperature: Below 2°C • Policy-based forecast considering changes in energy system, land use and societal behavior to achieve a sub-2°C target	• Temperature: Mean increase 2°C by 2050 and 2100 • Granular climate model focused on emission concentration and probability to achieve sub-2°C target
Assessment	+ Currently most widely adopted by peers + Granular energy data and annual refresh + Designed to align with Paris and addresses climate UN SDGs – No modelling of land-use/ economy in integrated way	+ Comprehensive modelling (incl. land-use) ~ Pathway reflects delayed policy response (vs. SDS/ RCP 2.6) – No projections for Fossil Fuel Scope 1 & 2 identified	+ Widely used by climate scientific community – Limited energy data (e.g. no energy mix) requiring additional modelling for business use – Infrequent/ irregular updates
		Selected by Working Group	

The IPR asserts that these policy changes would cause deep structural changes across industries, including the financial sector. According to IPR, the risk to financial markets would be significant and manageable, but the impact will be unevenly distributed across sectors.

Scenario Implementation

The Working Group evaluated climate-related risks relevant to BlackRock's business referencing guidance provided by the TCFD. Four key climate-related risks were identified, as shown in Exhibit 7. These risks were reviewed and approved by the Chief Corporate Sustainability Officer in consultation with relevant risk owners and the Risk & Quantitative Analysis team ("RQA"). Importantly, as discussed on page 23, BlackRock's exposure to climate-related risk is primarily indirect, affecting potential future revenue and expenses, rather than our balance sheet. The Working Group determined that BlackRock's enterprise climate scenario analysis should focus on climate-related impacts to: 1) the value of AUM and the associated asset management fees generated by that AUM, and 2) flows into and out of BlackRock product offerings due to changing client preferences or regulation.

The Working Group also identified several required data inputs:

- *AUM breakdown*. By asset class, investment style, and GICS sector.
- *Market return assumptions*. Based on BlackRock Investment Institute Capital Market Assumptions ("CMAs").[5]
- *Management Fees*. The AUM breakdown was mapped to portfolio management fee data. This established the management fee level and expected revenue for the analyzed asset class and sector-level exposures.
- *Market Valuation Shocks*. From IPR scenario documentation.[6]
- *Client Flows*. Developed based on assumptions derived from workshop discussions.

In addition, the Working Group conducted three internal workshops to refine and agree on the scope, scenario selection, and business implications and assumptions with a range of subject matter experts across the firm.

Analytical Choices & Assumptions

One challenge that we had to address was the lack of any pre-specified scenarios that contemplated our clients' potential responses to a transition scenario. Given that we would expect our clients to respond to the scenario by, at the very least, reviewing their asset allocations and the market shock and/or changing their asset allocations to reflect a regime shift in the market, it is reasonable to expect that such asset rebalancing would be reflected in client flows into and out of various investment products managed by BlackRock.

Recognizing that there are multiple unknowns with respect to how the policy response would play out and associated client reactions, the Working Group established a series of potential client responses ('Zero Net Flows', 'Optimistic', and 'Adverse') to illustrate a range of potential client responses and associated outcomes for BlackRock.

The **Zero Net Flows** outcome was established as a baseline used to help isolate which results are attributable to climate-related risks, as opposed to other dynamics that could affect our business. As such the Zero Net Flows outcome served as a point of comparison against the Optimistic and Adverse pathways; it assumes AUM growth is only due to market beta exposures of existing AUM, and no new net flows are attracted.

The Adverse and Optimistic outcomes were developed in order to assess BlackRock's ability to capitalize on climate-related opportunities under the 'Optimistic' outcome and BlackRock's business resilience to climate-related risks in the case of an 'Adverse' outcome.

The **Optimistic** outcome assumes the following occurs after the market shock in 2023:

- IPR policy changes are successfully implemented in a global and coordinated manner, and financial market valuations grow at a lower, but steady pace
- ESG products outperform and clients' preferences towards ESG products accelerate, causing inflows to sustainable *iShares* as clients re-allocate portfolios towards sustainable products
- BlackRock's active products successfully anticipate the policy shift due to effective ESG integration and the sophistication of BlackRock's *Aladdin* Climate analytics, which leads to outperformance of active strategies
- Public opinion on the need to act decisively to address climate change aligns, which positively affects BlackRock's reputation, recognizing that a portion of reputational risk BlackRock faces today results from divergent views across stakeholders and regulators on the topic of climate action
- There is increased demand for BlackRock's Alternatives products, particularly BlackRock's Global Renewable Power platform
- As a result, BlackRock grows AUM organically and preserves leadership position in industry

The **Adverse** outcome assumes the following occurs after the market shock in 2023:

- Policies are announced but fail to get implemented in line with expectations,[7] leading to policy fragmentation.
- BlackRock's range of sustainable products do not meet client needs or products underperform. Alternatively BlackRock's sustainable products do not align with certain regulators' definitions of sustainable products
- BlackRock experiences outflows and loses market share both in ESG and non-ESG products

Results and conclusions

The results of the scenario analysis indicate that despite a lack of direct exposure to climate-related risks, a scenario similar to the IPR could materially impact the value of BlackRock's AUM and associated revenues, profit, and market share. As such, BlackRock may be vulnerable to climate-related transition risks if BlackRock is not strategically positioned to capitalize on rapid market shifts due to climate-related policy including fragmented policy implementation across jurisdictions.

Nonetheless, BlackRock's diversified platform of alpha-seeking active, index, and cash management strategies, across asset classes, positions BlackRock to serve clients even during times of significant market repricing and/or a major transition in the world's energy and economic systems. Further, BlackRock is likely well-positioned to capitalize on opportunities to increase AUM, revenues, and market share if the firm effectively anticipates changes in both markets and client preferences.

While we believe that BlackRock's business model would remain resilient and profitable, the analysis revealed a distinct divergence in business growth depending on how well BlackRock adapts its product offerings and investment capabilities to a well-below 2°C scenario. Failure to adjust the business model to the changing market and client preferences could lead to reduced market share and profitability; while successful business adaptation could lead to a growth of business and market share.

BlackRock has invested significant resources to build both the analytical capabilities and investment products to help our clients benefit from the policy shifts envisioned by the IPR, as well as to assess and anticipate any associated risks. The results of the analysis reinforce the importance of both the continued investment in these capabilities including *Aladdin* Climate, ESG integration, investment stewardship, and the expansion of sustainable product offerings.

Limitations of the analysis

The climate scenario analysis provided a structured way to evaluate climate-related risks and opportunities – both in a quantitative and qualitative manner, and it opened a wider discussion across the firm with respect to how climate transition risks could affect our business.

As with any scenario analysis, there are limiting factors worth highlighting. First, a comprehensive climate-related scenario analysis should assess the potential implications of both physical and transition risk. For the purposes of this year's TCFD report, we decided to focus on transition risk only. Additionally, the level of data granularity was another limitation: market shocks were used at the sector level, with no distinction made at the security level, so security-specific sensitivities were not considered.

Additionally, the analysis took place during the COVID-19 pandemic, informing and contributing to our discussions and thinking. In addition, the analysis was concluded prior to the US Presidential election. As the COVID-19 pandemic continues to unfold and the intentions of the US Presidential Administration on climate policy become clear, policy forecasts will also evolve to account for additional developments and potential long-term structural changes.

Next Steps

Scenario analysis is a dynamic exercise, which will evolve over time with successive iterations, methodology enhancements, and lessons learned. As an ongoing process, several next steps were identified for 2021:

- Incorporate physical risk scenarios, in particular indirect impacts on valuations of clients' portfolios
- Expand on the set of assumptions and scenarios considered to review other potential future scenarios and their subsequent implications

Endnotes

Executive Summary (pages 4 to 8)

1. As of November 30, 2020. We define a portfolio to be ESG integrated if our portfolio managers can demonstrate that they have incorporated ESG insights, including climate risk, in one or more steps of their investment process. Additionally, the portfolio manager must conduct regular portfolio monitoring with RQA, as well as portfolio reviews with Chief Investment Officers. These reviews include discussion of the portfolio's exposure to material ESG risks, as well as exposure to sustainability-related business involvements, climate-related metrics, and other factors.
2. As of November 30, 2020
3. BlackRock defines sustainable investment solutions as those with an explicit sustainable objective alongside a financial one. This figure does not include portfolios that are ESG integrated. This figure is comprised of $95.5 billion in broad ESG strategies, $28.0 billion in thematic ESG strategies, $8.7 billion in impact strategies, and $19.3 billion in portfolios which adhere to BlackRock sustainable baseline screens as of September 30, 2020.
4. Data as of November 30,2020
5. Reporting period is between July 1, 2019 and June 30, 2020, representing the Securities and Exchange Commission's ("SEC") 12-month reporting period for US mutual funds, including iShares ®ETFs.
6. BlackRock Investment Stewardship (BIS). July 2020. Our approach to sustainability. Available at: https://www.blackrock.com/corporate/literature/publication/our-commitment-to-sustainability-full-report.pdf
7. The sectors included in the universe are: communication services, consumer discretionary, consumer staples, energy, financials, health care, industrials, information technology, materials, real estate, and utilities
8. The global aspiration is reflective of aggregated efforts; companies in developed and eme ging markets are not equally equipped to transition their business and reduce emissions at the same rate—those in developed markets with the largest market capitalization are better positioned to adapt their business models at an accelerated pace. Government policy and regional targets may be reflective of these realities.
9. See BlackRock Unveils New Offering to Power Investors' Transition to Net Zero Emissions. Available at: https://ir.blackrock.com/news-and-events/press-releases/press-releases-details/2020/BlackRock-Unveils-New-Offering-to-Power-Investors-Transition-to-Net-Zero-Emissions/default.aspx
10. This achievement includes Scope 1, Scope 2, and Scope 3 employee business travel, serviced offices, and co-located data center emissions. Serviced Offices are offices and co-located data centers for which landlords have full operational control.
11. In June 2020, we achieved our 100% renewable energy goal to match the same amount of renewable electricity as the electricity that our global operations (including data centers) consume annually through procuring renewable energy directly where possible, contracting directly for renewable energy wherever possible (app oximately 50%), and through purchasing environmental attribute credits where we do not have operational control or renewable energy is not available.
12. BlackRock's support for this initiative is made via grants recommended to and paid by the BlackRock Charitable Trust, a donor-advised fund.
13. As of October 30, 2020
14. A portion of the funds for which we are making ESG metrics available do not have sufficient CO_2e data coverage to support GHG emissions data reporting. We expect coverage to improve over time. For separate account clients, ESG characteristics of portfolios are reported directly to the client upon request.
15. See Mark Carney's keynote speech at the Green Horizon Summit. Available at: https://custom.cvent.com/8644FD66069649369747A352DBAB07C3/files/c27f5fcbc83447dcb47036c241791a1a.pdf
16. The global aspiration is reflective of aggregated efforts; companies in developed and emerging markets are not equally equipped to transition their business and reduce emissions at the same rate—those in developed markets with the largest market capitalization are better positioned to adapt their business models at an accelerated pace. Government policy and regional targets may be reflective of these realities.
17. The BIS' 2021 Global Principles further embed sustainability into BlackRock's stewardship activities. Available at: https://www.blackrock.com/corporate/about-us/investment-stewardship/our-commitment-to-stewardship
18. BlackRock has achieved our renewable energy goal by increasing the efficiency of our operations and buying both renewable power and environmental attribute certificates where we do not have operational control to procure our own energy. See Operations for more information.
19. The inclusion of information contained in this disclosu e should not be construed as a characterization regarding the materiality or financial impact of that information. Please also see our Annual Report on Form 10-K filed on February 28, 2020 ("2019 Annual Report and 10-K") and other publicly filed documents available at https://ir.blackrock.com/.

Governance Section (pages 9 to 11)

1. See Our leadership for a list of members of the GEC. Available at: https://www.blackrock.com/corporate/about-us/leadership.
2. See Sustainability as BlackRock's New Standard (January 14, 2020). Available at: https://www.blackrock.com/corporate/investor-relations/blackrock-client-letter

Strategy Section (pages 12 to 32)

1. See progress against our sustainability commitments: Our 2020 Sustainability Actions (May 2020). Available at: https://www.blackrock.com/corporate/literature/publication/our-2020-sustainability-actions.pdf.
2. Serviced Offices are offices and co-located data centers for which landlords have full operational control.
3. In June 2020, we achieved our 100% renewable energy goal to match the same amount of renewable electricity as the electricity that our global operations (including data centers) consume annually through procuring renewable energy di ectly where possible and through purchasing environmental attribute certificates where we do not have operational control or renewable energy is not available. We contract directly for renewable energy wherever possible (approximately 50%) and where we do not have operational control to procure our own energy, we purchase envi onmental attribute certificates as a means of achieving our 100% renewable goal. BlackRock achieved carbon neutrality in our operations as of August 2020.
4. BlackRock's support for this initiative is made via grants recommended to and paid by the BlackRock Charitable Trust, a donor-advised fund.
5. See Morgan Stanley's "Decarbonization: The Race to Zero Emissions" (November 25, 2019). Available at: https://www.morganstanley.com/ideas/investing-in-decarbonization.
6. For more key findings, please see BlackRock's 2020 Global Sustainable Investing Survey. Available at: https://www.blackrock.com/corporate/about-us/blackrock-sustainability-survey.
7. Includes $95.5 billion in broad ESG strategies, $28.0 billion in thematic ESG strategies, $8.7 billion in impact strategies, and $19.3 billion in portfolios that adhere to BlackRock sustainable baseline screens as of September 30, 2020.
8. As of November 23, 2020
9. See "iShares New ESG Screened Suite Expands Line-up, Simplifies Sustainable ETF Options for Investors" (September 24, 2020). Available at: https://www.ishares.com/us/literature/p ess-release/esgspscreenedsuite-pr-final-stamped.pdf.
10. Screens are based on revenue or percentage of revenue thresholds for certain categories and categorical exclusions for others. Detailed disclosures regarding the specifications of business involvement sc eens are available on www.iShares.com.
11. Total value for BlackRock Global Renewable Power as of November 30, 2020. Committed capital is still subject to drawdown.
12. BlackRock manages more than 270 global projects. Approximately 20 of which are through investments made by BlackRock's Global Energy & Power Infrastructure Fund team and Infrastructure debt team, which both sit on the BlackRock Real Assets platform.
13. Total number of wind and solar projects invested in by the Global Renewable Power team as of November 30, 2020
14. Calculated using World Energy Council indicators of the average household electricity consumption. The calculation is made based on household electricity consumption in the countries where our renewable projects are located, to ensure an accurate consideration of the relevant national, average consumption.
15. GHG emissions are calculated based on total renewable energy output and using IEA World Energy Outlook conversion factors. The appropriate conversion factors per country and/or state-level are used relative to where the projects are located. Water savings are calculated using World Energy Outlook conversion factors based on an alternate water use for combined cycle turbine production (i.e., water saved from transitional energy generation vs renewable energy generation) for like-for-like MWh generated
16. Data sourced from IEA, Bloomberg New Energy Finance, New Ene gy Outlook 2019. Refers to expected investment in renewables up to 2050. Available at: https://about.bnef.com/new-energy-outlook-2019/
17. See 2018 Green Bond Principals (most recently updated, June 2018) Available at: https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/Green-Bonds-Principles-June-2018-270520.pdf
18. See "Record Month Shoots Green Bonds Past Trillion-Dollar Mark" (October 5, 2020) Available at: https://about.bnef.com/blog/record-month-shoots-green-bonds-past-trillion-dollar-mark/.
19. For example, see the Institutional Investors Group on Climate Change Paris Aligned Investment Initiative Net Zero Investment Framework for Consultation. Available at: https://www.iigcc.org/download/net-zero-investment-framework-consultation/?wpdmdl=3602&masterkey=5f270ef146677
20. The Ellen MacArthur Foundation works to inspire a generation to re-think, re-design and build a positive future circular economy. Additional information available at: https://www.ellenmacarthurfoundation.org/
21. See announcement from Business Wire "Wespath and BlackRock Collaborate to Launch New Low-Carbon Economy 'Transition Ready' Investment Strategy" (October 11, 2018). Available at: https://www.businesswire.com/news/home/20181011005111/en/Wespath-and-BlackRock-Collaborate-to-Launch-New-Low-Carbon-Economy-%E2%80%9CTransition-Ready%E2%80%9D-Investment-Strategy.
22. Investing in the Transition to a Low-Carbon Economy: Exploring the Link Between a Company's 'Transition Readiness' and Financial Performance (January 15, 2019). Available at SSRN: https://ssrn.com/abstract=3311544
23. For more about this year's results, see BlackRock's PRI Report. Available at: https://www.blackrock.com/corporate/sustainability/pri-report.
24. Financial Times, "Jobs bonanza in stewardship and sustainable investing teams" (March 8, 2020). Available at: https://www.ft.com/content/2714da14-c12d-46b2-8ecf-9aba3f665fdf.
25. Engagement and voting are the two most frequently used instruments in BIS' stewardship toolkit.

26. The global aspiration is reflective of aggregated efforts; companies in developed and emerging markets are not equally equipped to transition their business and reduce emissions at the same rate—those in developed markets with the largest market capitalization are better positioned to adapt their business models at an accelerated pace. Government policy and regional targets may be reflective of these realities.

27. The BIS' 2021 Global Principles further embed sustainability into BlackRock's stewardship activities. (December 2020). Available at: https://www.blackrock.com/corporate/about-us/investment-stewardship/our-commitment-to-stewardship

28. The sectors included in the universe are: communication services, consumer discretionary, consumer staples, energy, financials, health care, industrials, information technology, materials, real estate, and utilities.

29. See BlackRock Investment Stewardship's perspective on corporate political activities. (December 2020). Available at: https://www.blackrock.com/corporate/literature/publication/blk-commentary-perspective-on-corporate-political-activities.pdf.

30. See Third TCFD Status Report (October 29, 2020). Available at: https://mailchi.mp/aa44aa0e7dbb/third-tcfd-status-report-shows-progress-highlights-need-for-greater-climate-related-disclosures-and-transparency?e=bee93da671. See "SASB Published Translated Implementation Guidance for Companies" (November 19, 2020). Available at: https://www.sasb.org/wp-content/uploads/2020/11/Translations-Media-Release-Final-Web.pdf

31. Full account of BlackRock Stewardship and voting history is available at https://www.blackrock.com/corporate/about-us/investment-stewardship#engagement-and-voting-history.

32. Please see www.blackrock.com/stewardship for additional commentaries.

33. See "BlackRock partners with Rhodium on climate analytics" for more detail. Available at: https://www.blackrock.com/us/individual/about-us/blackrock-rhodium-partner-on-climate-analytics.

34. See "BlackRock Unveils New Offering to Power Investors' Transition to Net Zero Emissions" (December 1, 2020). Available at: https://www.blackrock.com/corporate/newsroom/press-releases/article/corporate-one/press-releases/blackrock-unveils-new-offering

35. As of December 2019, BlackRock owned an 84,500 square foot office building in Wilmington (Delaware) and a 43,000 square foot data center in Amherst (New York). However, BlackRock otherwise primarily leases office space, including in New York City (New York), and throughout the world, including Atlanta (Georgia), Belgrade (Serbia), Boston (Massachusetts), Budapest (Hungary), Edinburgh (UK), Mumbai (India), Gurgaon (India), Hong Kong, London (UK), Melbourne (Australia), Mexico City (Mexico), Munich (Germany), Princeton (New Jersey), San Francisco (California), Seattle (Washington), Frankfurt (Germany), Santa Monica (California), Singapore (Singapore), Sydney (Australia), Taipei (Taiwan) and Tokyo (Japan).

36. The inclusion of climate-related risks in Exhibit 7 should not be construed as a characterization regarding the materiality or financial impact of these risks. For a discussion of risks that BlackRock has determined could be material, please see Item 1A. Risk Factors in BlackRock, Inc.'s Annual Report on Form 10-K, as well as its subsequent Form 10-Q filings.

37. As of December 31, 2019 BlackRock, has net economic investment exposure of approximately $2.7 billion in its investments (see "Item 7 – Management's Discussion and Analysis of Financial Condition and Results of Operations Investments" of BlackRock's 10-K) which primarily resulted from co-investments and seed investments in its sponsored investment funds.

38. See Recommendations of the Task Force on Climate-related Financial Disclosures, page 25 (June 2017). Available at: https://assets.bbhub.io/company/sites/60/2020/10/FINAL-2017-TCFD-Report-11052018.pdf

39. BlackRock's Enterprise Resilience Team separately conducts assessments of our physical locations to create individual site risk models and plans for our offices and data centers. These risk models consider physical climate risks, including severe weather, wildfires, and flooding. BlackRock uses predictive weather modeling to assess risks from natural disasters across multiple phases, including site selection, facility design processes, and routine facility management operations.

40. Other scenarios considered were the International Energy Agency ("IEA") Sustainable Development Scenario ("SDS") and the Intergovernmental Panel on Climate Change ("IPCC") Representative Concentration Pathway ("RCP") 2.6 – Decisive Action. See the Appendix for more detail.

41. See UN PRI, Vivid Economics and Energy Transition Advisors, IPR Forecast Policy Scenarios Full Report. (December 2019) Available at: https://www.unpri.org/download?ac=9835

42. In November 2020, the IPR released a paper entitled, "The Inevitable Policy Response Under Biden's Climate Plan – The Stage is Set", which details potential climate policy implications under the Biden Administration and potential implications for the IPR. The paper also notes that IPR is reviewing its policy forecasts and will make the results available in the first quarter of 2021. Available at: https://www.unpri.org/download?ac=12103

43. See Task Force on Climate-related Financial Disclosures, 2020 Status Report (October 29, 2020). Available at: https://www.fsb.org/2020/10/2020-status-report-task-force-on-climate-related-financial-disclosures/.

44. RCPs are representative concentration pathways commonly used as scenarios in climate modeling, as defined by the IPCC. "No climate action" (known as RCP 8.5) assumes ongoing fossil fuel use, with atmospheric CO_2 concentrations reaching 940 ppm by 2100. In "some action" (RCP 4.5), CO_2 concentrations stabilize at around 550 ppm. Decisive action (RCP 2.6) sees aggressive policy action resulting in negative net emissions by late in the century, with CO_2 concentration of 384 ppm by 2100. See "Getting Physical" (page 7) for more information.

45. Serviced Offices are offices and co-located data centers for which landlords have full operational control.

46. Environmental attribute certificates ("EACs"), also known as renewable energy certificates ("RECs") in the US, are tradeable instruments that represent the legal rights to the environmental attributes of one megawatt-hour ("MWh") of renewable electricity generation. EACs and RECs are issued when one MWh of electricity is generated and delivered to the electricity grid from a renewable energy resource. Currently, all green power supply options involve the generation and retirement of EACs or RECs

47. BlackRock's support for this initiative is made via grants recommended to and paid by the BlackRock Charitable Trust, a donor-advised fund.

48. BlackRock, Sustaining BlackRock through COVID-19 (May 27, 2020). Available at: https://www.blackrock.com/co/literature/publication/sustaining-blk-through-covid-19.pdf.

49. Electricity consumption, square footage, and headcount figures are as of December 31, 2019.

50. Our data centers consume 75% less energy than the typical enterprise data center does for cooling and electrical support. Our enterprise data centers operate at a Power Usage Effectiveness ("PUE") of 1.1 and 1.2; the financial services industry average data center PUE is 1.8.

51. Echoing Green's approach and portfolio statics are available at https://echoinggreen.org/issues/climate-change/ . Draper Richards Kaplan Climate Change Fellows' organizations are available by filtering for "Environment & Climate Change" at https://www.drkfoundation.org/portfolio/

52. See Press Release from the IIF, "Private Sector Voluntary Carbon Markets Taskforce Established to Help Meet Climate Goals" (September 2, 2020). Available at: https://www.iif.com/tsvcm/Main-Page/Publications/ID/4061/Private-Sector-Voluntary-Carbon-Markets-Taskforce-Established-to-Help-Meet-Climate-Goals.

53. See Measuring Portfolio Alignment: Assessing the position of companies and portfolios on the path to Net Zero (November 9, 2020) Available at: https://www.tcfdhub.org/wp-content/uploads/2020/10/PAT-Report-20201109-Final.pdf.

54. See G30 Working Group on Climate Change and Finance, "Mainstreaming the Transition to a Net Zero Economy." (October 2020). Available at: https://group30.org/images/uploads/publications/G30_Mainstreaming_the_Transition_to_a_Net-Zero_Economy_2.pdf.

55. See the CFRF guide to climate-related financial risk management (June 29,2020). Available at: https://www.fca.org.uk/transparency/climate-financial-risk-forum.

56. See Press Release from Vatican's Dicastery for Promoting Integral Human Development and the University of Notre Dame (June 13-14, 2019). Available at: http://www.humandevelopment.va/content/dam/sviluppoumano/comunicati-stampa/Oil%20&%20Gas%20Press%20Release%2014-06-2019.pdf.

57. See BlackRock Letter to FCA, "Proposals to enhance climate-related disclosures by listed issuers and clarifications of existing disclosure obligations" (October 5, 2020). Available at https://www.blackrock.com/corporate/literature/publication/fca-proposals-to-enhance-climate-related-disclosu es-by-listed-issuers-and-clarifications-of-existing-disclosure-obligations-100520.pdf.

58. See BlackRock's Response to DWP Consultation, "Taking action on climate isk: improving governance and reporting by occupational pension schemes" (October 8,2020). Available at: https://www.blackrock.com/corporate/literature/publication/dwp-consultation-on-taking-action-on-climate-risk-improving-governance-and-reporting-by-occupational-pension-schemes-100820.pdf.

59. See "Sustainability Reporting: Convergence to Accelerate Progress" and BlackRock Investment Stewardship Q3 2020 Report for more information.

60. See IFRS Consultation paper on Sustainability reporting (September 2020). Available at: https://cdn.ifrs.org/-/media/project/sustainability-reporting/consultation-paper-on-sustainability-reporting.pdf. See here for more information on IFRS Sustainability Reporting project. Available at: https://www.ifrs.org/projects/work-plan/sustainability-reporting/#current-stage

61. See ICI, Funds' Use of ESG integration and Sustainable Investing Strategies: An Introduction (July 2020). Available at: https://www.ici.org/pdf/20_ppr_esg_integration.pdf

62. See IIF, Sustainable Finance Working Group Report, The Case for Simplifying Sustainable Investment Terminology (October 2019). Available at: https://www.iif.com/Portals/0/Files/content/IIF%20SFWG%20-%20Growing%20Sustainable%20Finance.pdf.

63. Investment Company Institute, Letter to SEC, Proposed Rule 30e-3's Vital Importance to Fund Shareholders (Jul. 8, 2016), available at https://www.sec.gov/comments/s7-08-15/s70815-610.pdf at 4

64. U.S. Securities and Exchange Commission, Asset Management Advisory Committee Meeting Transcript (November 5, 2020). Available at: https://www.sec.gov/files/amac-110520-transcript.pdf

65. See "Digital Investment Advice: Robo Advisors Come of Age" (September 2016). Available at: www.blackrock.com/corporate/literatu e/whitepaper/viewpoint-digital-investment-advice-september-2016.pdf.

Metrics & Targets Section (pages 34 to 41)

1. Please see LRQA Independent Assurance Statement Relating to BlackRock, Inc. GHG Inventory. Available at: https://www.blackrock.com/corporate/literature/continuous-disclosure-and-important-information/lqra-assurancestatement-2019-blackrockinc.pdf.

2. A portion of the funds for which we are making ESG metrics available do not have sufficient CO_2e data coverage to support GHG emissions data reporting. We expect coverage to improve over time.

3. See "Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures". Available at: https://www.fsb-tcfd.org/wp-content/uploads/2017/12/FINAL-TCFD-Annex-Amended-121517.pdf. In addition, we note that the TCFD is cur ently consulting on additional financial sector metrics, see https://assets.bbhub.io/company/sites/60/2020/09/2020-TCFD_Consultation-Forward-Looking-Financial-Sector-Metrics.pdf.

4. A portion of the funds for which we are making ESG metrics available do not have sufficient CO_2e data coverage to support GHG emissions data reporting. We expect coverage to improve over time.

Appendix: Scenario Analysis (pages 42 to 45)

1. See page 25 in Recommendations of the Task Force on Climate-related Financial Disclosures. Available at: https://assets.bbhub.io/company/sites/60/2020/10/FINAL-2017-TCFD-Report-11052018.pdf.

2. Larry Fink, "A Fundamental Reshaping of Finance." January 2020. Available at: https://www.blackrock.com/corporate/investor-relations/larry-fink-ceo-letter.

3. See Recommendations of the Task Force on Climate-related Financial Disclosures. Available at: https://assets.bbhub.io/company/sites/60/2020/10/FINAL-2017-TCFD-Report-11052018.pdf.

4. In addition, we note that BlackRock's Enterprise Resilience Team separately conducts assessments of our physical locations to create individual site risk models and plans for our offices and data centers. These risk models consider physical climate risks, including severe weather, wildfires, and flooding. BlackRock uses predictive weather modeling to assess risks from natural disasters across multiple phases, including site selection, facility design processes, and routine facility management operations.

5. The expected market rates of returns were aligned with firm's CMAs, which are published by the BlackRock Investment Institute ("BII") every quarter (March 2020 CMAs were used for this analysis). Details available at: https://www.blackrock.com/institutions/en-us/insights/charts/capital-market-assumptions.

6. The UN PRI IPR market shock assumptions were used to quantify the impact.

7. This could be due to diverging political agendas/priorities, pushback from impacted industries, civil unrest, or another world-wide issue taking priority

Additional Resources

For further information on our sustainability efforts, please see:

2020 Sustainability Commitments & Progress

- BlackRock's 2020 Sustainability Actions
- Open Letter to Clients, Sustainability as BlackRock's New Standard for Investing

Investment Stewardship

- 2021 Stewardship Expectations
- BlackRock Investment Stewardship 2020 Annual Report
- BlackRock Investment Stewardship Sustainability Report

ESG Integration

- BlackRock's approach to integrating sustainability-related factors into portfolio management
- 2020 PRI Report
- ESG Integration Statement

BlackRock Investment Institute Research

- Troubled Waters: Financial Risks of Water Scarcity
- Getting Physical
- Sustainability: the bond that endures
- Sustainability: the future of investing

Corporate Sustainability

- Where We Stand: On the journey to prosperity for more and more people
- 2019 BlackRock Annual Report
- 2019 SASB Disclosure

Disclosures

This report contains information about BlackRock and may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act. All statements, other than statements of historical facts, may be forward-looking statements.

BlackRock cautions that forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time. Forward-looking statements speak only as of the date they are made, and BlackRock assumes no duty to and does not undertake to update forward-looking statements. Actual results could differ materially from those anticipated in forward-looking statements and future results could differ materially from historical performance.

Factors that can cause results to differ, as well as additional factors that can affect forward-looking statements, are discussed in BlackRock's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, accessible on the SEC's website at www.sec.gov and on BlackRock's website at www.blackrock.com.

Important Notes: This document includes non-financial metrics that are subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary. The information set forth herein is expressed as of December 2020 and BlackRock reserves the right to update its measurement techniques and methodologies in the future.

BlackRock.

EXHIBIT F
(see attached)

Sustainability as BlackRock's New Standard for Investing

Dear Client,

Since BlackRock's founding in 1988, we have worked to anticipate our clients' needs to help you manage risk and achieve your investment goals. As those needs have evolved, so too has our approach, but it has always been grounded in our fiduciary commitment to you.

Over the past few years, more and more of our clients have focused on the impact of sustainability on their portfolios. This shift has been driven by an increased understanding of how sustainability-related factors can affect economic growth, asset values, and financial markets as a whole.

The most significant of these factors today relates to climate change, not only in terms of the physical risk associated with rising global temperatures, but also transition risk – namely, how the global transition to a low-carbon economy could affect a company's long-term profitability. As Larry Fink writes in his **2020 letter to CEOs**, the investment risks presented by climate change are set to accelerate a significant reallocation of capital, which will in turn have a profound impact on the pricing of risk and assets around the world.

As your fiduciary, BlackRock is committed to helping you navigate this transition and build more resilient portfolios, including striving for more stable and higher long-term returns. Because sustainable investment options have the potential to offer clients better outcomes, we are making sustainability integral to the way BlackRock manages risk, constructs portfolios, designs products, and engages with companies. **We believe that sustainability should be our new standard for investing.**

Over the past several years, we have been deepening the integration of sustainability into technology, risk management, and product choice across BlackRock. We are now accelerating those efforts in the following ways.

Sustainable, Resilient, and Transparent Portfolios

Resilient and well-constructed portfolios are essential to achieving long-term investment goals. Our investment conviction is that sustainability-integrated portfolios can provide better risk-adjusted returns to investors. And with the impact of sustainability on investment returns increasing, we believe that sustainable investment will be a critical foundation for client portfolios going forward.

- **Sustainability as Our Standard Offering in Solutions** – BlackRock manages a wide variety of investment solutions that combine different funds to help investors achieve their investment objectives. We intend to make sustainable funds the standard building blocks in these solutions wherever possible, consistent with client preferences and any applicable regulations such as ERISA. All aspects of this approach will be executed over time and in consultation with our clients, and we are committed to offering these sustainable solutions at fees comparable to traditional solutions.
  - This year we will begin to offer sustainable versions of our flagship model portfolios, including our Target Allocation range of models. These models will use environmental, social, and governance (ESG)-optimized index exposures in place of traditional market cap-weighted index exposures. Over time, we expect these sustainability-focused models to become the flagships themselves.
  - We also plan to launch sustainable versions of our asset allocation iShares this year, in order to provide investors with a simple, transparent way to access a sustainable portfolio at good value in a single ETF.

- Many more steps will follow to make sustainable investments the standard. For example, we are working to develop a sustainable LifePath target date strategy, which would provide investors with an all-in-one, low-fee, sustainable retirement solution, and we are working to expand our sustainable cash offerings as well.

- **Strengthening Sustainability Integration into the Active Investment Processes** – Currently, every active investment team at BlackRock considers ESG factors in its investment process and has articulated how it integrates ESG in its investment processes. By the end of 2020, all active portfolios and advisory strategies will be fully ESG integrated – meaning that, at the portfolio level, our portfolio managers will be accountable for appropriately managing exposure to ESG risks and documenting how those considerations have affected investment decisions. BlackRock's Risk and Quantitative Analysis Group (RQA), which is responsible for evaluating all investment, counterparty, and operational risk at the firm, will be evaluating ESG risk during its regular monthly reviews with portfolio managers to provide oversight of portfolio managers' consideration of ESG risk in their investment processes. This integration will mean that RQA – and BlackRock as a whole – considers ESG risk with the same rigor that it analyzes traditional measures such as credit and liquidity risk.

- **Reducing ESG Risk in Active Strategies** – In heightening our scrutiny on ESG issues, we are continuously evaluating the risk-return profile and negative externalities posed by specific sectors as we seek to minimize risk and maximize long-term return for our clients. Today, we have no exposure through our $1.8 trillion in active AUM to public debt or equity in certain sectors with heightened ESG risk, such as controversial weapons systems manufacturers. We continue to evaluate, in both our public and private investment portfolios, high-risk sectors that are exposed to a reallocation of capital, and we will take action to reduce exposures where doing so can enhance the risk-return profile of portfolios.

  - **Exiting Thermal Coal Producers** - Thermal coal production is one such sector. Thermal coal is significantly carbon intensive, becoming less and less economically viable, and highly exposed to regulation because of its environmental impacts. With the acceleration of the global energy transition, we do not believe that the long-term economic or investment rationale justifies continued investment in this sector. As a result, we are in the process of removing from our discretionary active investment portfolios the public securities (both debt and equity) of companies that generate more than 25% of their revenues from thermal coal production, which we aim to accomplish by the middle of 2020. As part of our process of evaluating sectors with high ESG risk, we will also closely scrutinize other businesses that are heavily reliant on thermal coal as an input, in order to understand whether they are effectively transitioning away from this reliance. In addition, BlackRock's alternatives business will make no future direct investments in companies that generate more than 25% of their revenues from thermal coal production.

- **Putting ESG Analysis at the Heart of Aladdin** – We have developed proprietary measurement tools to deepen our understanding of material ESG risks. For example, our Carbon Beta tool allows us to stress-test issuers and portfolios for different carbon pricing scenarios. In 2020 we will continue to build additional tools, including one to analyze physical climate risks and one that produces material investment signals by analyzing the sustainability-related characteristics of companies. We are integrating these measurements into Aladdin, our risk management and investment technology platform.

- **Enhancing Transparency of Sustainable Characteristics for All Products** – We want investors to be able to clearly see the sustainability risks of their investments. We already provide data on our website for iShares that display an ESG score and the carbon footprint of each fund, among other measurements. By the end of 2020, we intend to provide transparent, publicly available data on sustainability characteristics – including data on controversial holdings and carbon footprint – for BlackRock mutual funds. We will seek to make this information available to all of our clients, including those in separate accounts.

Increasing Access to Sustainable Investing

We want to make sustainable investing more accessible to all investors and lower the hurdles for those who want to act. We **have advocated** for clear and consistent naming conventions for ESG products across the industry, so that investors can make informed decisions when they invest in a sustainably labeled fund. We have been working to improve access for several years – for example, by building the industry's largest suite of ESG ETFs, which has allowed many more individuals to more easily invest sustainably. And we are committed to doing even more:

- **Doubling Our Offerings of ESG ETFs** – We intend to double our offerings of ESG ETFs over the next few years (to 150), including sustainable versions of flagship index products, so that clients have more choice for how to invest their money.

- **Simplifying and Expanding ESG iShares, Including ETFs with a Fossil Fuel Screen**– In addition to more choice, clients have asked for a simpler way to integrate ESG in their existing portfolios. To meet that need, we will have three ESG ETF suites in the US and EMEA: one that enables clients to screen out certain sectors or companies that they do not want to invest in; one that enables clients to improve ESG scores meaningfully while still optimizing their ability to closely track market-cap weighted indexes; and one that enables clients to invest in companies with the highest ESG ratings and features our most extensive screens including one for fossil fuels. We will be providing additional information on these product lines later this quarter.

- **Working with Index Providers to Expand and Improve the Universe of Sustainable Indexes–** To provide more sustainable investment options for our clients – and all investors – we are engaging with major index providers to provide sustainable versions of their flagship indexes. We also will continue to work with them to promote greater standardization and transparency of sustainability benchmark methodology. We believe that ESG benchmarks should exclude businesses with high ESG risk such as thermal coal and we are engaging with index providers on this topic.

- **Expanding Sustainable Active Investment Strategies –** BlackRock will be expanding our range of active strategies focused on sustainability as an investment outcome, including funds focused on the global energy transition, and impact investing funds that seek to promote positive externalities or limit negative ones.

  - **Global Energy Transition –** BlackRock currently manages $50 billion in solutions that support the transition to a low-carbon economy, including an industry-leading renewable power infrastructure business, which invests in the private markets in wind and solar power; green bond funds; LEAF, the industry's first environmental sustainability-focused cash management strategy; and circular economy active strategies, which invest in businesses focused on minimizing waste and leveraging the full life cycle of materials. We will be expanding dedicated low-carbon transition-readiness strategies, offering investors exposure to the companies that are most effectively managing transition risk.

  - **Impact Investing –** BlackRock recently brought on board a leading impact investing team that offers clients alpha through a portfolio of companies chosen on their measurable, positive impact to society. We are committing to launching dedicated impact investing solutions, beginning with the launch of our Global Impact Equity fund this quarter. Our impact investing solutions will be aligned with the World Bank's IFC Operating Principles for Impact Management.

Enhancing Engagement, Voting, and Transparency in Stewardship

Investment stewardship is an essential component of our fiduciary responsibility. This is particularly important for our index holdings on behalf of clients, in which we are essentially permanent shareholders. We have a responsibility to engage with companies to understand if they are adequately disclosing and managing sustainability-related risks, and to hold them to account through proxy voting if they are not. We have been engaging with companies for some time on these issues, as reflected in our engagement priorities. As in other areas of our investment functions, our investment stewardship team is intensifying its focus and engagement with companies on sustainability-related risks.

- **Joining Climate Action 100+ –** BlackRock believes that collaboration between investors, companies, regulators, and others is essential to improving the management of sustainability questions. We are a founding member of the Task Force on Climate-related Financial Disclosures (TCFD), and a signatory to the UN's Principles for Responsible Investment. BlackRock recently joined Climate Action 100+, and prior to joining, BlackRock was a member of the group's five sponsoring organizations. Climate Action 100+ is a group of investors that engages with companies to improve climate disclosure and align business strategy with the goals of the Paris Agreement.

- **Engagement Priorities and Voting Guidelines –** Each year we refresh our engagement priorities and voting guidelines. This year, we will be mapping our engagement priorities to specific UN Sustainable Development Goals, such as Gender Equality and Affordable and Clean Energy. We will also be incorporating key performance indicators in our engagement policies, providing clarity on our expectations for companies.

- **Transparency –** We are committed to enhancing the transparency of our stewardship practices, which we believe we owe to our clients and the broader set of stakeholders in these companies.

  - Starting this quarter, we will be moving from annual to quarterly voting disclosure.

  - On key high-profile votes, we will disclose our vote promptly, along with an explanation of our decision.

  - Finally, we will enhance the disclosure of our company engagements by including in our stewardship annual report the topics we discussed during each engagement with a company.

- **Voting on Sustainability Proposals** – We have engaged with companies on sustainability-related questions for several years, urging management teams to make progress while also deliberately giving companies time to build the foundations for disclosure consistent with the Sustainability Accounting Standards Board (SASB) and TCFD. We are asking companies to publish SASB- and TCFD-aligned disclosures, and as expressed by the TCFD guidelines, this should include the company's plan for operating under a scenario where the Paris Agreement's goal of limiting global warming to less than two degrees is fully realized. Given the groundwork we have already laid and the growing investment risks surrounding sustainability, we will be increasingly disposed to vote against management when companies have not made sufficient progress.

A fundamental reshaping of finance

Climate change is driving a profound reassessment of risk and we anticipate a significant reallocation of capital.

> Read Larry's letter to CEOs

Our Commitment

Our role as a fiduciary is the foundation of BlackRock's culture. The commitments we are making today reflect our conviction that all investors – and particularly the millions of our clients who are saving for long-term goals like retirement – must seriously consider sustainability in their investments.

We invest on your behalf, not our own, and the investments we make will always represent your preferences, timelines, and objectives. We recognize that many clients will continue to prefer traditional strategies, particularly in market-cap weighted indexes. We will manage this money consistent with your preferences, as we always have. The choice remains with you.

As we move to a low-carbon world, investment exposure to the global economy will mean exposure to hydrocarbons for some time. While the low-carbon transition is well underway, the technological and economic realities mean that the transition will take decades. Global economic development, particularly in emerging markets, will continue to rely on hydrocarbons for a number of years. As a result, the portfolios we manage will continue to hold exposures to the hydrocarbon economy as the transition advances.

A successful low-carbon transition will require a coordinated, international response from governments aligned with the goals of the Paris Agreement, including the adoption of carbon pricing globally, which we continue to endorse. Companies and investors have a meaningful role to play in accelerating the low-carbon transition. BlackRock does not see itself as a passive observer in the low-carbon transition. We believe we have a significant responsibility – as a provider of index funds, as a fiduciary, and as a member of society – to play a constructive role in the transition.

Where we have the greatest discretion – in portfolio construction, our active and alternatives platforms, and our approach to risk management – we will employ sustainability across our investment process. Where we serve index clients, we are improving access to sustainable investment options, and we are enhancing our stewardship to make sure that companies in which our clients are invested are managing these risks effectively. We will also work with a broad range of parties – including asset owners, index providers, and regulatory and multilateral institutions – to advance sustainability in finance.

The steps we are taking today will help strengthen our ability to serve you as a fiduciary. Sustainability is becoming increasingly material to investment outcomes, and as the global leader in investment management, our goal is to be the global leader in sustainable investing. If you have questions about these actions, or if you would like to arrange a portfolio review to understand any potential implications for the assets we manage on your behalf, our relationship managers and product strategists are at your disposal. We are grateful for the trust you place in us.

Sincerely,

BlackRock's Global Executive Committee

- Laurence D. Fink, Chairman and Chief Executive Officer
- Robert S. Kapito, President
- Geraldine Buckingham, Head of Asia Pacific
- Edwin N. Conway, Global Head of BlackRock Alternative Investors
- Frank Cooper III, Chief Marketing Officer
- Robert W. Fairbairn, Vice Chairman
- Robert L. Goldstein, Chief Operating Officer & Global Head of BlackRock Solutions
- Ben Golub, PhD, Chief Risk Officer
- Philipp Hildebrand, Vice Chairman
- J. Richard Kushel, Head of Multi-Asset Strategies and Global Fixed Income
- Rachel Lord, Head of Europe, Middle East and Africa
- Mark S. McCombe, Chief Client Officer
- Christopher J. Meade, Chief Legal Officer
- Manish Mehta, Global Head of Human Resources
- Barbara G. Novick, Vice Chairman
- Salim Ramji, Global Head of iShares and Index Investments
- Gary S. Shedlin, Chief Financial Officer
- Derek N. Stein, Global Head of Technology & Operations
- Mark K. Wiedman, Head of International and of Corporate Strategy

Where we stand

Corporate sustainability

We put an unwavering focus on long-term sustainability and ensure it's embedded across our entire business.

› Learn more

EXHIBIT G
(see attached)

BlackRock's 2020 Carbon Footprint

BlackRock, Inc. Operational Footprint

BlackRock.

Building better futures through sound environmental management is important to our stakeholders, including our employees, clients, and shareholders, and key to securing our future. This long-term vision comes to life in our commitment to saving, protecting, and restoring our natural environment – and we do this, together, by better managing our resources in the operations of our business and promoting environmental conservation in our communities.

In operating our business, BlackRock pursues a sustainability strategy that seeks to decouple company growth from our impact on the environment, while increasing the efficiency and resiliency of our operations. Finding innovative ways to power our business with renewable energy, lower our emissions and reduce waste, among other efforts, reduces our environmental impact.

Today, BlackRock's operations are carbon neutral. This achievement includes Scope 1, Scope 2, and Scope 3 employee business travel, serviced offices [1] and co-located data center emissions. We have achieved this milestone by employing energy efficiency strategies, achieving our 100% renewable energy goal, and offsetting emissions we could not otherwise eliminate.[2]

Our Strategy

Reduce emissions

- Target: Reduce emissions per employee by 45% by 2020
- Progress: 44% emissions reduction per employee achieved as of year-end 2019

Increase renewable energy

- Target: 100% renewable energy globally by 2020
- Progress: 100% renewable energy as of June 2020[3]

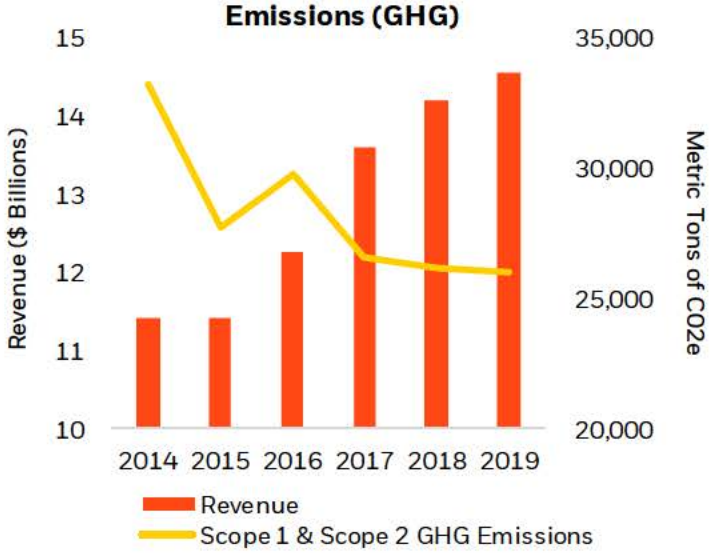
Offset & reduce travel-related emissions

- Target: Offset 100% of travel-related emissions by 2020
- Progress: 100% of travel-related emissions offset since 2017[2]
- Target: Reduce air travel per employee by 20% by 2020
- Progress: Reduced by 21% as of year-end 2019

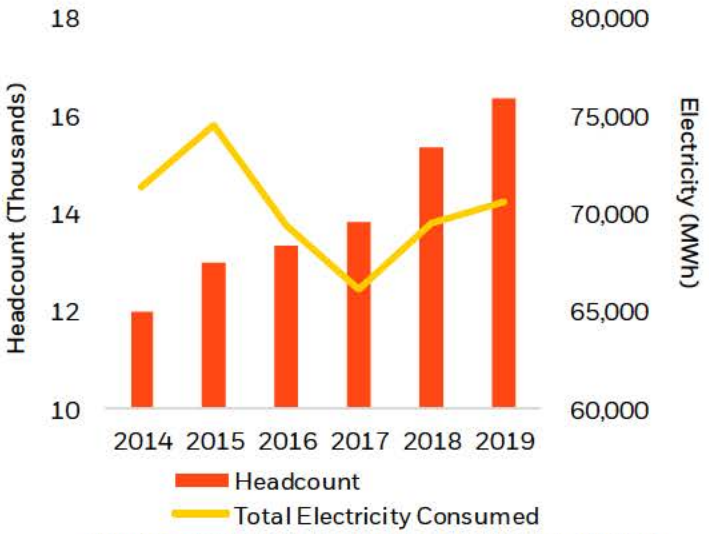
Energy-efficient buildings & offices

- Our corporate design standards track closely to green certifications criteria in order to meet best-in-class sustainable building standards.

Revenue Growth v. Greenhouse Gas Emissions (GHG)



Headcount Growth v. Electricity Consumption



Note that per employee electricity consumption declined between 2017 and 2019. See page 3.

blackrock.com/corporate/sustainability

Note: Targets are using a 2014 baseline. "By 2020" targets indicate that the target achievement date is within the year 2020. All data is as of December 31, 2019. Except where otherwise noted.

Our Approach

We have set emissions reduction targets for our global operations and data centers that we have been striving to achieve in 2020. These targets reflect our commitment to reducing the impact of our operations on the environment.

In support of our commitment to transparency, BlackRock has been a respondent to the CDP Climate Change survey since 2013. We obtain third-party verification for our Scopes 1 and 2 emissions, as well as for our Scope 3 business travel, employee shuttles, fuel- and energy-related activities (FERA) and waste GHG emissions data and collection process.

Business Travel

For the year-ended 2019 and years prior, travel was a significant source of carbon emissions for BlackRock. Since 2017 we have elected to offset 100% of our travel-related emissions.[2] We have also reduced air travel per employee by 21% as of year-end 2019. We attribute this reduction, in part, to our ongoing investment in our video conferencing capabilities, helping to make remote meetings both effective and practical. In 2020, the investments we have made in technology proved beneficial to BlackRock's resilience during the COVID-19 pandemic (see Sustaining BlackRock Through COVID-19 for more information) and will also serve to reduce emissions from employee business travel. We are evaluating the implications for our environmental sustainability strategy going forward.

Electricity

Electricity is also a large source of our carbon emissions. Since we began tracking electricity use in 2014, our electricity consumption has decreased by 1% despite a 15% expansion in square footage and a 40% increase in headcount. We accomplished this through the consolidation of our data centers, retrofitting for LED lighting, redesigning our office space use and adjusting our heating, ventilation, and air conditioning (HVAC) systems to more closely correlate to occupancy.

Renewable Energy

Renewable energy has zero carbon emissions, which enables us to reduce our energy-related emissions. We have made it a priority to not only become more energy efficient, but also to ensure that the energy we purchase comes from clean sources-wherever possible. Our support for clean energy goes hand in hand with reducing our carbon footprint and BlackRock's position as one of the world's largest investors in renewable energy assets. By increasing the efficiency of our operations and buying both renewable power and environmental attribute credits where we do not have operational control to procure our own energy, we have achieved our 100% renewable energy goal to match 100% of our global electricity use with renewable energy.

Progress Towards Select 2020 Goals

Category	Goals	Progress to Date [a]	2020 Goal [b]
Emissions	Reduce facility location-based GHG emissions (electricity, stationary combustion, and refrigerants) per full-time employee	44%	45%
Renewable Energy	Match same amount of renewable electricity (in MWh) as the electricity that our global operations, including data centers consume annually	100%	100%
Electricity	Reduce absolute global electricity consumption	1%	18%
Air Travel	Reduce air travel per employee	21%	20%
Paper	Reduce global paper consumption	44%	25% [c]
Waste	Increase global waste diversion from landfill	48%	75%[c]

a. **As of December 31, 2019 unless otherwise noted**
b. 2020 goals are using a 2014 baseline unless otherwise noted
c. Uses a 2017 baseline

Data Centers

Data centers are integral to supporting our operations globally. We have worked to make our data centers among the most efficient in the industry by designing, building and operating them to maximize efficient use of energy, water and materials[4]. In addition, our data centers are powered by hydro-power.

Paper

In 2017, we set a 2020 paper reduction target of 25% which we achieved and have now surpassed. Since we began tracking paper in October 2017, we have reduced paper use by 44% as of December 2019. We attribute this reduction to a heightening of awareness, swipe technology and standard double-sided print settings on all copiers.

Waste

BlackRock began tracking waste in 2017. We face challenges from local waste practices in some cities in which we operate that have limited or no waste diversion practices. Additionally, as primarily a tenant in multi-tenant buildings, we are reliant on data provided by landlords' waste haulers, which is typically less rigorous than our preferred standards. Nonetheless, employees are encouraged to use less and recycle more through training, signage and office-wide "Green Team" initiatives. We also carefully consider what products are brought into our offices. As of year-end 2019, we have reported a 48% diversion rate of waste from landfills.

Environmental Indications

	2014	2015	2016	2017	2018	2019	% change[f]
Organization							
Revenue ($millions) [a]	11,081	11,401	12,261	13,600	14,198	14,539	31%
Headcount (average Full-Time Employees & Contingent Workers) [b]	11,666	12,994	13,337	13,816	15,349	16,349	40%
Greenhouse Gas (GHG) Emissions							
Scope 1 GHG Emissions [c] (metric tons of CO2e)	5,756	4,758	4,281	5,050	4,805	5,589	(3%)
Scope 2 GHG Emissions [d] (metric tons of CO2e)	27,409	28,003	25,518	21,539	21,392	20,369	(26%)
Total Scope 1 & Scope 2 GHG Emissions (metric tons of CO2e)	33,164	27,734	29,799	26,589	26,198	25,958	(22%)
Total Scope 1 & Scope 2 GHG Emissions per Revenue (metric tons of CO2e per $1 million in revenue)	3.0	2.4	2.4	2.0	1.8	1.8	(40%)
Facilities CO2e per Employee [e] (metrics tons of CO2e per employee)	2.8	2.1	2.2	1.9	1.7	1.6	(43%)
Scope 3 Business Travel (metrics tons of CO2e)	41,784	39,942	43,175	38,447	44,629	38,359	(8%)
Scope 3 Business Travel per Employee (metrics tons of CO2e per employee)	3.6	3.1	3.2	2.8	2.9	2.3	(36%)
Electricity							
Total Electricity Consumed (MWh)	71,298	74,565	69,399	66,097	69,540	70,605	(1%)
Electricity Consumed per Emploee (MWh per Employee)	6.1	5.7	5.2	4.8	4.5	4.3	(29%)

a. 2015 information reflects accounting standards prior to the adoption of the new revenue recognition standard. 2016 to 2019 information reflects the adoption of the new revenue recognition standard. For further information, refer to Note 2, Significant Accounting Policies, in the consolidated financial statements in our 2019 Form 10-K.

b. Headcount figures include all full-time employees and contingent workers. We take track headcount monthly and at year end take the average across 12 months to more accurately reflect office occupancy. These figures differ from what is reported in our Form 10-K filing, which shows the total number of employees excluding contingent workers.

c. Includes natural gas, distillate fuel, private aviation and refrigerants.

d. Location-based method.

e. Facilities CO2e includes location-based electricity, distillate fuel, natural gas, private aviation and refrigerants.

f. Percentage change versus 2014. Calculations are using exact figures, so percentage change calculations using the rounded figures above may not tie.

Green Team Network

Green Teams are employee-led organizations in BlackRock offices that provide employees with a forum to connect around a shared interest and passion for the environment, create and engage in sustainability initiatives, share best practices, and steward conservation efforts. The members of the Green Team Network are critical in bringing about a more sustainable culture at BlackRock and in our communities. Today, 46 offices host Green Teams with nearly 2,300 employees participating. The Green Teams undertake initiatives in partnership with our facilities team including reducing single-use plastic in our office pantries, reducing paper use and waste, and planting nearly 12,000 trees during the 2019-2020 planting season.

In 2020, in light of a remote work environment due to the COVID-19 pandemic, the Green Team Network ran two employee engagement campaigns to encourage conservation at home. The Do One Thing campaign focused on six things employees could do to reduce their impact on the environment at home, including adjusting water heater settings, unplugging unused electronics, getting educated on environmental issues, and reducing meat consumption. Over 1,300 pledges were made to adopt one or all of the behaviors. The Green Team Network also ran a "Plastic Not Fantastic" campaign suggesting eight ways employees could reduce their plastic use at home.

Social Impact

Through our Social Impact efforts, we are committed to supporting our communities, particularly as COVID-19 has exacerbated social inequalities and hardship for millions of people. In February 2020, BlackRock made a charitable contribution of its remaining 20% stake in PennyMac Financial Services, Inc. to The BlackRock Foundation, a newly established corporate foundation, and the BlackRock Charitable Fund, which was established in 2013. The contribution will provide long-term funding for the firm's future philanthropic investments and partnerships focused on promoting sustainability and economic mobility, and building a financial safety net for underserved and underemployed people.

BlackRock Social Impact team's employee engagement portfolio supports a number of accelerator programs that identify social entrepreneurs with disruptive and innovative ideas to address global social challenges. The accelerator programs have sub-portfolios of climate-focused entrepreneurs supported by BlackRock's grantee partners, including: the Echoing Green Climate Fellowship and the Draper Richards Kaplan Environment & Climate Fellows (Clean Energy Trust, Cloud to Street, GreenWave, OceanMind, BoxPower).

E-Delivery Advocacy

BlackRock has long advocated for the electronic delivery of fund and retirement plan documents as the default mechanism for communication with investors. E-delivery is environmentally friendly, as it reduces the use of paper and related printing and mailing resources. In addition, e-delivery provides cost savings for investors and makes it easy for individuals to receive information in real time on their computers or mobile devices. In the US, the SEC has taken positive steps to facilitate e-delivery of mutual fund shareholder reports through the adoption of Rule 30e-3, which allows Registered Investment Companies to transmit shareholder reports electronically (subject to certain requirements). The Investment Company Institute estimated that the adoption of Rule 30e-3 would save 1.87 million trees annually.[5] We have been encouraging the Department of Labor to take similar actions for the delivery of retirement plan documents. In Europe, as new legislative initiatives have been brought in, we have sought to maximize the opportunities for digital dissemination. For example, we produce around 50,000 Undertakings for the Collective Investment in Transferable Securities (UCITS) Key Information Documents (KIDs) a year in multiple languages and we use our website as our primary delivery mechanism. We have also consistently advocated for key information disclosure documents, including UCITS, packaged retail investment and insurance-based products (PRIIPs) and pan-European personal pension products (PEPPs) to be designed on a digitally friendly basis rather than on a paper-basis.

Endnotes

1. Serviced Offices are offices and co-located data centers for which landlords have full operational control.
2. BlackRock's support for this initiative is made via grants recommended to and paid by the BlackRock Charitable Trust, a donor-advised fund.
3. In June 2020, we achieved our 100% renewable energy goal to match the same amount of renewable electricity as the electricity that our global operations (including data centers) consume annually through procuring renewable energy directly where possible and through purchasing environmental attribute credits where we do not have operational control or renewable energy is not available. We contract directly for renewable energy wherever possible (approximately 50%) and where we do not have operational control to procure our own energy, we purchase environmental attribute credits as a means of achieving our 100% renewable goal.
4. Our data centers consume 75% less energy than the typical enterprise data center does for cooling and electrical support. Our enterprise data centers operate at a PUE of 1.1 and 1.2; the industry average data center PUE is 1.8.
5. Investment Company Institute, Letter to SEC, Proposed Rule 30e-3's Vital Importance to Fund Shareholders (Jul. 8, 2016), available at https://www.sec.gov/comments/s7-08-15/s70815-610.pdf at 4.

Important Notes

This document includes non-financial metrics that are subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary. The information set forth herein is expressed as of September 2020 and BlackRock reserves the right to update its measurement techniques and methodologies in the future.

BlackRock.

EXHIBIT H
(see attached)

BLACKROCK®

BlackRock Supplier Code of Conduct & Ethics

May 2019

BlackRock Supplier Code of Conduct & Ethics

BlackRock, Inc. and its affiliates ("BlackRock") pride ourselves on our reputation for conducting business activities in the highest ethical and professional manner. As such, BlackRock expects all companies and individuals which supply goods, materials or services ("Suppliers") to adhere to these same standards and principles. This BlackRock Supplier Code of Conduct & Ethics ('Code') outlines the minimum expectations and standards of all BlackRock Suppliers in relation to human rights, inclusion and diversity, environmental sustainability, integrity and ethics in management practices.

BlackRock requires all of our Suppliers (and their subcontractors) to fully comply with all laws and regulatory requirements applicable to such Supplier's business activities. Understanding that the standards set forth in this Code may differ from local laws, regulations and customs, this Code should be read as applying globally.

Human Rights

As an employer, BlackRock holds itself to high standards and expects the same of our Suppliers. To that end, BlackRock expects our Suppliers to:

- Working Conditions - Be committed to providing a safe and secure workplace for their employees that fully complies with all health and safety laws, regulations and practices. In addition, Suppliers shall ensure that all employees are provided with appropriate health & safety training, such as safe work practices and emergency preparedness.
- Wages, Working Hours & Benefits - Fully comply with all applicable laws and regulations with their employees when setting conditions on working hours, benefits and wages (such as minimum legal wages).
- Child Labor - Fully comply with all applicable child labor laws and only employ workers who meet the minimum legal age for that jurisdiction.
- Forced Labor - Not to use any involuntary labor, such as slave, forced, bonded, indentured or prison labor and also not be involved in any human trafficking or exploitation.
- Human Rights in the Workplace - Manage their employees in a fair and ethical manner and that all employees are treated with dignity and respect. BlackRock expects our Suppliers to operate in an environment that is free from unlawful discrimination and harassment in whatever form.

Inclusion & Diversity

Inclusion & Diversity at BlackRock are key to BlackRock's success. By fully leveraging our people's diverse experiences, backgrounds and insights, we can inspire innovation, challenge the status quo and create better outcomes for our people and our clients.

BlackRock is firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment of any kind both internally within our firm and from our Suppliers. BlackRock expects our Suppliers to comply with all applicable local ordinances and laws by affording equal opportunity to all qualified applicants and existing employees without regard to race, religion, color, national origin, sex (including pregnancy and gender identity), sexual orientation, age, ancestry, physical or mental disability, marital status, political affiliation, citizenship status, genetic information, or protected veteran status or any other basis that would be in violation of any such ordinance or law.

BlackRock is committed to developing and seeks out qualified diverse businesses from historically underrepresented groups including companies owned and operated by minorities, women, military veterans, disabled veterans, people with disabilities and members of the LGBT+ community. Through our Global Supplier Diversity Program, we aim to achieve a diverse slate of Suppliers that reflects all the markets, clients and communities we serve and we expect our own Suppliers to operate in a similar manner.

Environmental Sustainability

BlackRock is deliberate in our commitment to using our resources responsibly to support the long-term sustainability of our firm and of the global environment in which we and our clients live and operate.

BlackRock expects that our Suppliers share this commitment to environmental sustainability and will comply with all laws and regulations in relation to the protection of the environment applicable to such Suppliers. BlackRock expects Suppliers to take active steps to continuously reduce such Suppliers carbon footprint and help sustain the environment.

Integrity & Ethics

BlackRock holds itself to the highest ethical standards and seeks to always act with integrity.

BlackRock expects our Suppliers to act and conduct themselves in the highest ethical manner in all business dealings and interactions. BlackRock expects all Suppliers to:

- Disclose to BlackRock any potential conflicts of interest in relation to any bid or proposal;
- Ensure that all laws and regulations are fully complied with in relation to bribery, corruption and any other prohibited or improper business practices;
- Immediately inform BlackRock in writing of any actual or suspected breach of anything contained within this Code.

EXHIBIT I
(see attached)

LARRY FINK'S CHAIRMAN'S LETTER TO SHAREHOLDERS

To our shareholders,

Larry Fink's Chairman's Letter to Shareholders
Sunday, March 29, 2020

When I originally sat down to write this letter, I was in my office, thinking about how to describe the events of 2019 and what BlackRock achieved last year. Today that seems a distant reality. BlackRock's offices globally are nearly empty and instead, I write to you in isolation from home, like millions of other people. Since January, the coronavirus has overtaken our lives and transformed our world, presenting an unprecedented medical, economic and human challenge. The implications of the coronavirus outbreak for every nation and for our clients, employees and shareholders are profound, and they will reverberate for years to come.

The virus has taken a severe toll. It has killed or sickened hundreds of thousands, and even for the healthy, it has dramatically altered daily life and threatened financial security. For governments, it has presented the astounding challenges of implementing quarantines on a scale never before seen and of responding to the economic and financial fallout from them. For the private sector, it has upended how companies operate and the demand for their products and services, with small businesses and their employees invariably shouldering the greatest burden. And medical professionals, in almost all cases operating with insufficient supplies and a lack of hospital capacity, are faced with wrenching decisions about how to keep the most people alive. These medical professionals, on the frontline in this crisis, are today's heroes.

In my 44 years in finance, I have never experienced anything like this. The outbreak has impacted financial markets with a swiftness and ferocity normally seen only in a classic financial crisis. In a matter of weeks, global equity benchmarks fell from record highs into a bear market. A market-wide circuit breaker at the New York Stock Exchange, built to give traders a pause and dampen extreme volatility, was triggered for the first time since 1997, then triggered three more times in quick succession. These conditions were exacerbated by record low liquidity levels in US Treasuries, which serve as a benchmark for pricing risk across the market.

The outbreak has not simply pressured financial markets and near-term growth: it has sparked a reevaluation of many assumptions about the global economy, such as our infatuation with just-in-time supply chains or our reliance on international air travel. Even more profoundly, people worldwide are fundamentally rethinking the way we work, shop, travel and gather. When we exit this crisis, the world will be different. Investors' psychology will change. Business will change. Consumption will change. And we will be more deeply reliant on our families and each other to stay safe.

As dramatic as this has been, I do believe that the economy will recover steadily, in part because this situation lacks some of the obstacles to recovery of a typical financial crisis. Central banks are moving quickly to address problems in credit markets, and governments are now acting aggressively to enact fiscal stimulus. The speed and the shape of these policies are deeply influenced by the world's experience during the global financial crisis in 2008. I also believe their actions are likely to be more effective and work more quickly since they are not fighting against the same structural challenges as they were a decade ago.

That is not to say the world is without risk, nor to suggest that the market has reached its bottom. It is impossible to know. There are also significant challenges ahead for heavily indebted businesses, and if governments are not careful in the design of their stimulus programs, the economic pain from the outbreak will fall disproportionately on the shoulders of the most economically vulnerable individuals.

Because of the nature of the crisis and its ability to reach us all, we are reminded of our shared humanity as we tackle this outbreak together. To defeat this crisis, we need a response that cuts across partisan lines and national boundaries.

I have always believed in a long-term view. I have advocated for it in letter after letter. And I believe long-term thinking has never been more critical than it is today. Companies and investors with a strong sense of purpose and a long-term approach will be better able to navigate this crisis and its aftermath.

At BlackRock, we take a long-term view of markets, and we take a long-term view in the way we run our company. The world will get through this crisis. The economy will recover. And for those investors who keep their eyes not on the shaky ground at our feet, but on the horizon ahead, there are tremendous opportunities to be had in today's markets.

BlackRock's biggest responsibility – now more than ever – is to help our clients navigate this market environment and stay focused on long-term returns.

To ensure we could continue to serve clients around the world, despite the pandemic, we rebuilt BlackRock beyond the walls of BlackRock. On many days in recent weeks, we have had over 90% of our people around the world working from home – managing portfolios, serving clients and building technology. This is no small task. Our employees are caring for their families and loved ones while also adjusting to remote work and the challenges of isolation. Making this transition successful has depended on careful planning and robust technology. But above all, it has depended on BlackRock's strong and deep-seated culture. Our commitment to each other, to our clients and to our shared sense of purpose has bound us together during this difficult period and enabled us to continue to serve our clients and our communities.

Since the emergence of **coronavirus** in mid-January, the **BlackRock Investment Institute** has devoted itself to helping investors understand the economic and financial implications of the outbreak and resulting volatility, hosting numerous calls for thousands of people and publishing a steady stream of research and insights. Our portfolio managers and relationship managers are in close contact with clients through phone calls and video conferences, making sure that our clients are safe and healthy, that they have the information they need and get prompt answers to their urgent questions.

We continue to help clients position themselves to achieve their long-term objectives, and BlackRock's frequent engagements with these clients over time and our deep understanding of their purpose enables us to better serve them in times like these. For some clients, the recent sell-off created an attractive opportunity to rebalance into equities. Indeed, many of our clients – even those who generally have a heavy allocation to fixed income due to their risk profiles – are looking to increase their equity allocation in this market.

As clients seek to adjust their portfolios in this environment, we are focused on making sure they have the right tools and technology to do so. *iShares®* ETFs once again proved to be extremely valuable tools for clients in their portfolios. As markets experienced significant stress related to concerns over the global spread of the virus, ETFs traded in record volumes, including $1.4 trillion in the US alone, or 37% of all US equity activity compared to a 27% average for 2019. ETFs are serving as tools for price discovery and delivering incremental liquidity and value.

As in past periods of market stress, BlackRock, through our **Financial Markets Advisory** practice, is again serving and advising governments as they seek new ways to support the households, businesses and economies of their respective nations in this unprecedented situation. We are honored to have been selected to assist the Federal Reserve Bank of New York and the Bank of Canada on programs designed to facilitate capital to businesses and support the economy. We will continue to work with governments around the globe to help them navigate this difficult period. Work like this – focusing our expertise and capabilities on major public challenges – is our purpose in action.

> **BlackRock is able to deliver for our clients during these volatile periods because of the commitment we have placed on resilience: on helping our clients manage risk and building both an investment platform and a business strategy that**

can weather the unforeseen. ”

Resilience is about much more than withstanding a sudden shock to markets – it also means understanding and addressing long-term structural changes. I allocate a large part of my time to meeting with clients around the world, and from my experience, that ability to adapt, to listen to clients and to deliver what they truly need is what continues to drive BlackRock's success.

> **This willingness to innovate, to take risks and to confront the biggest challenges is who BlackRock is.**

The money we manage belongs to our clients, and we can only serve them if we address how global changes will impact their outcomes. We can only serve our shareholders if we focus on the long term and constantly evolve our business, driving industry dynamics instead of reacting to them. And we can only serve our full set of stakeholders – from our employees to the communities where we operate – if we continue to make a positive contribution to society. Through these times, we remain firmly committed to our stakeholders by focusing on leading the evolution of asset management.

The Asset Management Landscape

As our industry continues to go through a period of consolidation, fee compression and technological transformation, at the center of our business strategy is anticipating this change and always evolving the firm from a position of strength. The biggest change for asset managers will be how we use technology. In the future, asset managers have to be as good at using technology as anything else they do – and as good at it as any tech firm. It has to be part of who they are. Asset managers will have to fully integrate technology to connect with clients, generate investment insights, create operational efficiencies and unify their organization on a single platform. And volatility of the markets, and the speed with which they have moved these past few weeks, reinforces once again how essential technology is to managing risk today.

The decade following the financial crisis was a positive environment for many asset managers. A strong market backdrop benefited the industry and during this time, many managers passed along the benefits to shareholders by expanding margins and returning capital through dividends and repurchases. Too few, however, invested in innovation to build resilience and stay ahead of emerging trends that are impacting the industry in full force today.

> **One of the most important of those trends is demand from clients for a whole-portfolio approach.**

Over the last decade, investors increasingly recognized that portfolio construction, not security selection, drives the majority of returns. This knowledge helped motivate our 2009 merger with Barclays Global Investors. We knew that combining index and active would benefit our clients and help them build more effective portfolios. The years since the merger – and the academic research on the importance of beta – have validated our decision. And this intellectual transformation, in turn, has driven an industry transformation, as investors have increasingly

sought out managers such as BlackRock that have the offerings, technology and client service capabilities to execute a whole-portfolio approach.

This approach is even more important in today's environment, with interest rates back at historic lows, the price of oil down more than 50% since the beginning of the year and equities globally in bear market territory. As clients grapple with these developments, they are turning to us because we understand and can serve their entire portfolio with a full spectrum of investing capabilities.

The way we connect with clients and deliver solutions to them is also changing, particularly in the wealth management industry. Much like institutions, retail investors are demanding more transparency, better service and a more portfolio-based approach. Between these expectations and new regulations, distribution models in the US and Europe are moving away from commissions toward fee-based advisory models. Additionally, we saw direct brokerage platforms eliminate trading commissions in the US. This is a good thing for more people, because it makes it easier for them to invest and benefit from the growth of capital markets. But it will also fundamentally change the distribution landscape for years to come. Because of these changes, we are having more comprehensive conversations with wealth managers about delivering investment solutions and risk management and portfolio construction technology that can help them build portfolios at scale for their own clients.

Very few managers apart from BlackRock can offer clients that full set of capabilities. As a result, we are seeing massive consolidation in our industry. Because of the speed of changes in the world today, asset managers are looking to acquire rather than build many of their capabilities, from product offerings to client bases to distribution networks to technology.

The growth BlackRock has generated and the strength of our client relationships are the fruits of a deliberate and careful corporate strategy. The transformative acquisitions we have made were done from a position of strength, not under the pressures that many of our competitors are facing. Even then, combining two businesses wasn't easy. But we had the time and the resources to make them work and that enabled us to build the resilient firm that clients and shareholders demand.

Total return over the last decade

Source: Factset. The performance graph is not necessarily indicative of future investment performance. Large Cap Traditional Peers represent AB, AMG, BEN, EV, IVZ, LM and TROW.

BlackRock's resilience is especially evident in times like these. Our stock price declined 14% since the beginning of the year, and although I am by no means happy with this performance, BlackRock is outperforming broader equity markets and the asset management industry.

Our work is not done. Our strategy for growth is designed to withstand difficult periods such as this, and will carry us through this period. As the industry and investment landscape continue to change, we intend to be at the forefront of trends that will shape our ability to grow as a firm and deliver our clients the best possible set of outcomes.

BlackRock's Strategy for Long-Term, Resilient Growth

BlackRock's approach to evolution and innovation isn't something we do in bursts or sporadically. It's a constant of our culture. We are always reassessing and changing our business to see how we can better serve clients, looking for ways to reallocate and seeking new opportunities.

This approach is integrated into every level of the business and encouraged in every employee. It is overseen by BlackRock's **Global Executive Committee**, our 19 most senior leaders across the firm, who dedicate significant time to understanding the short- and long-term impacts these trends will have on our clients and business. In normal times, we meet as a group on a weekly basis to discuss and debate these topics. More recently, however, because of the severity of the crisis and how quickly things are moving, BlackRock's Global Executive Committee is meeting daily by videoconference. These meetings cover everything from ensuring we are operating effectively to monitoring and managing the health and safety of our employees and their families to coming together to address the unique needs of our clients during this time.

While we have adapted and pivoted our primary focus to our short-term strategy, we continue to examine and develop BlackRock's long-term strategy. We regularly review this strategy with BlackRock's Board of Directors and did so most recently earlier this month.

> **We have promised our shareholders that we aim to deliver an aspirational 5% organic growth target over the long term.**

Our strategy for achieving this target over the long term is to invest in the primary engines driving BlackRock's growth today and over the next several years: *iShares*, illiquid alternatives and technology, innovate in alpha creation and most importantly, continue leading as the whole-portfolio provider to clients by staying ahead of their needs.

ETFs Are a Tool for Every Portfolio

Technology firms are so successful today not necessarily because of their underlying technology, but because their platforms create better price disclosure, greater efficiencies and ultimately, more *convenience* and *simplicity* for the end user. This is the same reason ETFs are so successful – because they are technology: they bring these same characteristics of transparency, convenience and simplicity to asset management. And during the recent turmoil, the biggest test ETFs have ever faced, they once again proved their resilience and their ability to increase transparency and price discovery. ETFs have become one of the most important tools in modern finance.

Today, ETFs are being used across many portfolios. In a whole portfolio landscape where investors are focused on outcomes, I've seen firsthand the steady adoption of ETFs by clients as more than just a way to access market cap-weighted index exposures. Our clients are using them as tools for alpha generation, factor returns, advancing sustainable investing outcomes and more.

The biggest transformation we have seen so far is in fixed income, where ETFs are transforming and modernizing the $100 trillion bond market itself.

Given how essential bonds are to the global economy – as a source of risk management and returns for investors, as a source of capital for companies and governments – the lack of structural innovations to the bond market for many years was surprising. For decades, bond markets largely stayed the same. And in fact, investing in bonds became *more* difficult following the global financial crisis, as greater regulatory oversight and capital restrictions significantly reduced banks' balance sheets and as a result, bond inventories.

Fixed income ETFs have seen such tremendous growth precisely because bond markets have historically been so difficult to access. Even a decade ago, bond trading was very similar to when I first started my career at First Boston in 1976: buying and selling bonds was all done over the phone, the difference between the value of the bond and what you paid was sizable, and pricing was opaque and could vary significantly from one broker to another. It was expensive for even the largest institutions to manage a diversified fixed income portfolio, while many individuals could only hold bonds through high-priced, actively managed mutual funds.

We saw the potential of fixed income ETFs when we launched the first *iShares* fixed income ETF nearly two decades ago. We recognized that through an exchange-traded basket of fixed income securities, clients could quickly access (or sell) a diversified range of fixed income exposures – from treasuries to credit to emerging market debt – all without needing to go to bank balance sheets. And as adoption of fixed income ETFs increases, we are seeing a virtuous cycle at play. The need to price and trade large baskets of bonds has pushed the industry to develop algorithms that can price thousands of bonds simultaneously and technology to trade electronically. This, in turn, is creating more liquidity, transparency and efficiency in the bond markets for clients. Fixed income ETFs and *iShares* are not only essential tools in a modern bond market, but they themselves are helping to drive this modernization.

The benefit of fixed income ETFs becomes amplified in times of market stress. When liquidity disappears in the underlying bond markets, the transparency of an ETF allows clients to price the underlying bonds. And the ability for buyers and sellers of the ETF to meet directly on exchange, and trade in secondary markets creates an additional layer of liquidity for clients. That capability is why ETFs – both in equity and fixed income – are fast becoming investors' go-to vehicles for quickly taking off risk exposure in times of market volatility. More and more investors are recognizing these benefits, and we saw record flows into our *iShares* fixed income business last year.

This work is just one part of the *iShares* growth strategy. We are investing to create stronger market and trading infrastructure for all ETFs so we can continue delivering quality to our clients. And we continue to expand the way investors use ETFs to access critical exposure and achieve their outcomes.

Sustainable and factor strategies, for example, were for many years high-fee or available only to large institutions through customized separate accounts. BlackRock is already making these strategies more accessible to more people at better value. We built the industry's largest offering of both sustainable and factor ETFs, because we believe all investors should have equal access to a better future. There shouldn't be high hurdles for those who want to act, and people should have more choice for how to invest their money. In line with this belief, we have committed to doubling the number of sustainable ETFs and index mutual funds we offer to more than 150 over the next few years.

A New Era for Alpha Generation

The rise of ETFs has coincided with a fundamental shift in the culture and process of alpha generation. We have worked hard at BlackRock since our founding to avoid the star manager culture that has defined our industry for decades. Alpha remains attainable, but the process for generating insights is also changing. The sheer volume and rate of growth of publicly available data is creating significant opportunities for investors who can leverage technology to process and analyze it in a consistent, reliable way.

Today, clients are demanding greater transparency and persistent returns, because many have realized they were paying high fees for far too long and not getting the outcomes they needed in their portfolios.

> **"We're in a new era for alpha generation that requires going beyond the old standard: we need to align incentives, increase transparency and innovate through technology and product construction."**

A key focus area for us is illiquid alternatives. Low yields, a shortage of long-duration instruments and a view that alpha is more attainable in private markets is driving client demand for illiquid alternatives, particularly from those who need to match long liabilities. Bigger allocations to private markets are a good thing for clients looking for higher, uncorrelated returns and for asset managers who can deliver on those expectations.

BlackRock is launching innovative strategies that set new standards for incentive alignment and address unmet client needs, such as Long Term Private Capital. In a landscape where competition is intensifying for the best deals (and consequently, the strongest returns), we are leveraging our global footprint and scale to source the highest quality investments for clients.

And just as we expanded our ETF offerings to make investing accessible to more people, we're also working on ways to deliver alternative investments in a safe and risk-managed way to more individuals.

We are also putting an increased focus on sustainability across our alternatives platform. We have already built one of the industry's leading renewable power franchises, but we are going further. Our alternatives specialists integrate ESG considerations across the platform in order to help our clients manage risk more effectively and achieve outperformance.

In order to maximize sustainability and to source and manage the best opportunities for our clients, we are also transforming the way that alternatives are managed. Through our acquisition of eFront and its integration into ***Aladdin***®, we are bringing an unprecedented level of transparency and analytics to alternatives. This capability will provide visibility across asset classes, geography and macro trends, enabling BlackRock and our clients to manage risk and construct portfolios more comprehensively across public and private markets.

Powering Our Business Through Technology

Technology has always been central to BlackRock's investment approach, but new advances are deepening the ways in which we can use it to help clients and improve our own operations.

I view technology as an extension of our commitment to meeting client needs and delivering outcomes. It is why we built *Aladdin*, because asset management is about processing and understanding information: market data, risk factors, clients' objectives and more.

It's also why we are constantly working to evolve the platform to meet the needs of our clients and investment professionals. Evolving *Aladdin* enables us to better serve clients. Clients are turning to us for a unified technology platform that can help them see their entire portfolio clearly and run their businesses more effectively. We're looking to provide clients with better information on the entire portfolio and better tools to analyze that information – in short, making *Aladdin* the language of portfolio construction.

And we're bringing these capabilities to wealth managers and financial advisors, because just as *iShares* makes investing more accessible,

> **"*Aladdin* makes portfolio construction and risk management more accessible to more people."**

I wrote earlier about the changing wealth landscape. In a fee-based advisory world, technology that simplifies portfolio construction and risk management is more important than ever before for the industry and for clients looking to achieve financial well-being.

Preparing for the Future of Asset Management

ETFs, illiquid alternatives and technology will drive BlackRock's growth this decade. But we cannot just focus on what's happening in front of us. BlackRock has always dedicated time and resources to taking a step back and looking at our business and our industry beyond a five- or even ten-year time horizon, because it's equally important to plant the seeds for the biggest opportunities yet to come.

In January of this year, we took a number of actions to make sustainability our new standard for investing. As I wrote in my **2020 letter to CEOs**, climate change will have a profound impact on our global economic system, from how food is produced, to where people are able to live to how diseases spread globally. These changes will reshape global finance by driving a significant repricing of risk and assets. And, the pandemic we're experiencing now highlights the fragility of the globalized world and the value of sustainable portfolios. We've seen sustainable portfolios deliver stronger performance than traditional portfolios during this period. When we emerge from this crisis, and investors rebalance portfolios, we have an opportunity to accelerate into a more sustainable world.

In a January **letter to our clients**, BlackRock's Global Executive Committee explained why we must place sustainability at the core of our approach as an investment manager. Since January, we have made substantial progress in executing on many of the commitments outlined in that letter. And, our actions around sustainability remain part of BlackRock's longstanding commitment to staying ahead of our clients' needs and to evolving our firm as the world around us presents new and uncharted challenges for investors.

Our focus on long-term opportunity and structural change is also reflected in the way we approach growing markets, such as China. I continue to firmly believe China will be one of the biggest opportunities for BlackRock over the long term, both for asset managers and investors, despite the uncertainty and decoupling of global systems we're seeing today. We continue to invest in our presence in China and our local investment expertise, so we can help clients navigate this large and growing opportunity as they seek to increase exposure to China's onshore

assets. We are also focused on building our presence as a manager for Chinese clients. China's $14 trillion asset management industry is the third largest in the world, and as the Chinese market opens to foreign asset managers, our global reach and whole-portfolio approach will help us become the leading foreign asset manager in China.

Our commitment to look into the future, to fight against complacency and to make bold decisions is what will drive us forward. We invest for the long term because BlackRock's future – for our clients, our shareholders, our employees and more – depends on it.

BlackRock's Culture and Our Commitment to Stakeholders

Eight founders – six men and two women – started BlackRock thirty-two years ago with a commitment to do things differently. During the stock market crash in 1987, we saw people lose much of their life savings in a matter of a few hours. These people and institutions were invested in the markets but were not intimately aware of the risks associated with their investments. BlackRock sought to fill a gap by bringing rigorous risk awareness and risk management to the investment industry.

From the earliest days of BlackRock, we were focused on building a strong, unified culture: one that is innately focused on the needs of our clients; one that is aware of the value of our people; one that is powered by a deep commitment to making a positive contribution to society. As we've grown, that culture has continued to fuel BlackRock. It permeates every level of the organization and I truly believe is what ultimately sets us apart from not only other financial services firms, but other great companies.

As businesses have adjusted to operating in a much more virtual environment because of the coronavirus outbreak, staying connected is more challenging, but also more important than ever before. It requires clear planning, agile use of technology and a great deal of patience and personal flexibility. But most of all, it requires a strong culture. Our employees are working in a challenging environment and deserve increased support and attention. In recent weeks, we have made a priority of clear and frequent communications from senior leaders as well as a range of internal communications to help employees connect with each other and the firm. Although we are physically separated, we are continuing to strengthen the bonds of the firm. That is what enables us to deliver for clients and continue to grow BlackRock.

Delivering on our commitments to our clients requires the constant re-investment in our business that I've discussed. But re-investment in our business wouldn't mean anything if we did not have the right people to carry it out.

Every September, BlackRock's Board dedicates an entire meeting to talent and succession planning where they review our process and pipeline for key senior leaders. While I have no intentions of leaving BlackRock anytime soon, I also will not be here forever. I have worked closely with my **Board of Directors** over the last decade to ensure we have a thoughtful plan and process in place for not only my successor, but every senior leader at the firm who plays a critical role in BlackRock's day-to-day activities.

One of these senior leaders is Barbara Novick, my friend and co-founder. This year, Barbara announced her transition from Vice Chairman to senior advisor after 32 years of extraordinary accomplishments at BlackRock and as one of the industry's most influential figures. Barbara led BlackRock's global client group for our first two decades, and the strength of our client relationships today is a testament to her leadership. After the financial crisis, I asked Barbara to lead our government relations group, knowing that between her command of the issues and her fierce commitment to investors, no one would be better placed to be a voice for investors on post-crisis policy. About two years ago, as investment stewardship became an increasingly important part of our responsibilities to stakeholders, I asked Barbara to take on oversight of BlackRock's **Investment Stewardship** team. Under her leadership, we have continued to grow our stewardship team, its capabilities and its commitment to transparency.

As co-founders, Rob Kapito and I are sad to see Barbara transition to a new role. But we are eternally grateful for her contributions to the firm, our clients and the industry, and we will continue to rely on her counsel.

I also want to thank a longtime director and friend, Ivan Seidenberg, who will be retiring from our Board this year. Ivan epitomizes good corporate governance: he never takes anything for granted and always asks the toughest questions of me and the firm's senior leaders. He has provided invaluable wisdom and guidance during his tenure, including on key technology issues drawn from a long career in telecommunications. He has been a great partner for whom I have the utmost respect.

Every one of BlackRock's 16,200 employees must be motivated, equipped and supported to be the best they can be. BlackRock invests heavily in our people through a variety of programs, including leadership, development and educational opportunities for employees to enhance their skill sets and achieve fulfilling careers. It includes increasing all forms of diversity throughout our organization because we know diversity

drives better performance. Beyond focusing on the numbers, we are ensuring we have the right policies and programs to support a more diverse and inclusive BlackRock community and to help everyone achieve their highest potential.

> **Toward this end, we also strive to support all aspects of employees' physical, emotional and financial well-being so they can stay energized, engaged and inspired.**

In normal times, as I travel to see clients around the world, I make sure to meet with our employees in each city I visit, and I see firsthand how deeply each individual at BlackRock lives our purpose. That commitment is what gives me the confidence in our future as a firm.

BlackRock's employees are active, involved members of our communities, and they help energize and advance our social responsibility to make a positive impact in our society. Through our **Social Impact** team, BlackRock invests in ideas and solutions that support a more inclusive and sustainable economy and enable more people to be able to invest in their futures. To support our long-term charitable mission, we announced earlier this year our commitment of $589 million and the establishment of the BlackRock Foundation. More pressing today, however, is supporting the response to the coronavirus outbreak. That is why BlackRock has committed $50 million in charitable funds to the immediate relief of those who are most affected right now; to help address the financial hardship and social dislocation that this pandemic brings in its wake, as families grapple with job disruptions, school closures, unexpected childcare and medical costs.

> **The strength of our culture is what makes our platform more capable and better positioned for the future than it has been at any time in our history.**

My co-founders, leadership team and I have spent tremendous time in making sure that we have instilled this deep fiduciary culture at BlackRock. When we, or the next generation of leaders, encounter either difficulty or opportunity, we will be guided by the same principles that we have always followed: doing what is best for clients and what is consistent with living our purpose.

That purpose is how we will continue to deliver long-term growth and value for all of our stakeholders, whose success and BlackRock's success are inextricable.

Our shareholders, and the capital they provide, have enabled us to build the best possible investment and technology platform and to consistently invest for the future. Our investments have enabled us to navigate and lead structural change in our industry and generate stronger, more consistent growth and long-term value.

Our employees have powered these innovations, transforming the asset management industry over the past 32 years and constantly raising the bar for what a manager can deliver for clients. Their commitment to our culture – to serving our clients – is why we are such a resilient firm.

Our clients are why we exist. Everything we do is to help them achieve their goals. By helping them invest for the future, by making quality investments more accessible, by helping them navigate crises and by enabling them to invest for a sustainable future, we achieve our purpose of helping more and more people experience financial well-being.

And our clients' investments power economic growth in communities around the world. Their capital helps create jobs, start businesses and drive innovation. We must be responsible stewards of that capital, because it is these communities that give us our license to operate.

These communities are our communities, and they have been transformed over the past three months. We have all been impacted in some way by the coronavirus. This pandemic – and the collective responsibility required to stem its spread – is an important reminder of our shared humanity. We must be unified in supporting each other, protecting our health and constantly strengthening our ability to prepare and respond to crises like this.

To all our employees, to our friends, clients, and shareholders, and to all the communities where we operate, please do all you can to stay healthy and be safe.

Sincerely,

Laurence D. Fink
Chairman and Chief Executive Officer

IMPORTANT NOTES

OPINIONS

Opinions expressed are those of BlackRock, Inc. as of March 2020 and are subject to change.

BLACKROCK DATA POINTS

All data reflects as-adjusted full-year 2019 results or is as of December 31, 2019, unless otherwise noted. 2019 organic growth is defined as full-year 2019 net flows divided by assets under management (AUM) for the entire firm, a particular segment or particular product as of December 31, 2018. Long-term product offerings include active and passive strategies across equity, fixed income, multi-asset and alternatives, and exclude AUM and flows from the cash management and advisory businesses.

GAAP AND AS-ADJUSTED RESULTS

See pages 37–38 of the 10-K for an explanation of the use of Non-GAAP Financial Measures and a reconciliation to GAAP.

ADDITIONAL INFORMATION AND WHERE TO FIND IT

BlackRock, Inc. (the "Company"), its directors and certain of its executive officers and employees may be deemed to be participants in the solicitation of proxies from shareholders in connection with the Company's 2020 Annual Meeting of Shareholders (the "2020 Annual Meeting"). The Company plans to file a proxy statement with the Securities and Exchange Commission (the "SEC") in connection with the solicitation of proxies for the 2020 Annual Meeting (the "2020 Proxy Statement"). Additional information regarding the identity of these potential participants and their direct or indirect interests, by security holdings or otherwise, will be set forth in the 2020 Proxy Statement and other materials to be filed with the SEC in connection with the 2020 Annual Meeting. This information can also be found in the Company's definitive proxy statement for its 2019 Annual Meeting of Stockholders (the "2019 Proxy Statement"), filed with the SEC on April 12, 2019, or the Annual Report on Form 10-K for the year ended December 31, 2018, filed with the SEC on February 28, 2020 (the "Form 10-K"). To the extent holdings of the Company's securities have changed since the amounts printed in the 2019 Proxy Statement, such changes have been or will be reflected on Statements of Change in Ownership on Form 4 filed with the SEC.

SHAREHOLDERS ARE URGED TO READ THE 2020 PROXY STATEMENT (INCLUDING ANY AMENDMENTS OR SUPPLEMENTS THERETO), 2019 PROXY STATEMENT, FORM 10-K AND ANY OTHER RELEVANT DOCUMENTS THAT THE COMPANY HAS FILED OR WILL FILE WITH THE SEC BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION.

Shareholders will be able to obtain, free of charge, copies of the 2020 Proxy Statement (when filed), 2019 Proxy Statement, Form 10-K and any other documents filed or to be filed by the Company with the SEC in connection with the 2020 Annual Meeting at the SEC's website (http://www.sec.gov) or at the Company's website (http://www.blackrock.com) or by writing to the Company's Secretary at BlackRock, Inc., 40 East 52nd Street, New York, New York 10022.