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 also made other remarks implying the importance of a company’s public purpose. In his 2018 annual letter to CEOs Larry Fink wrote:

Stakeholders are demanding that companies exercise leadership on a broader range of issues. And they are right to: a company’s ability to manage environmental, social, and governance matters demonstrates the leadership and good governance that is so essential to sustainable growth, which is why we are increasingly integrating these issues into our investment process.

Existing governance documents evolved in an environment of shareholder primacy, but the Statement articulates a new purpose, moves away from shareholder primacy, and includes commitment to all stakeholders. The Statement may be beneficial to associate with our brand, however, the Statement, as company policy, may conflict with Delaware law unless integrated into Company governance documents, including bylaws, Articles of Incorporation, and/or Committee Charters.

Company actions should also become integrated with the Statement. The Company currently engages in various actions that seem 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. 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 $11 billion USD.
- BlackRock’s 2019 publicly reported proxy voting record reveals consistent votes against virtually all climate-related resolutions (having voted for only 6 of 52 such resolutions), including requests for enhanced disclosure or adoption of greenhouse gas reduction goals, even where independent experts advance a strong business and economic case for support.
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* and in effect, ensure accountability to none.

**BE IT RESOLVED:** Shareholders request our Board prepare a report based on a review of the BRT Statement of the 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 to fully implement the 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,” establishing new goals or metrics linked to executive or board compensation, providing for representation of stakeholders in governance of our Company, and making recommendations to shareholders regarding logistics for implementation.