

LEGISLATIVE SUBPOENA

**PERSONAL ATTENDANCE OF WITNESS
AND PRODUCTION OF EVIDENCE**

SENATE
OF THE
STATE OF TEXAS

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)

TO THE SERGEANT-AT-ARMS FOR THE COMMITTEE, OR ANY PEACE OFFICER OF THIS STATE:

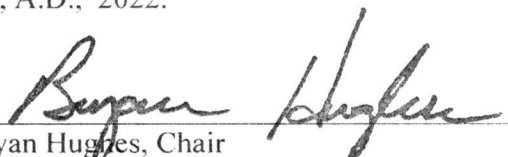
You are hereby commanded that you summon BlackRock, Inc., located at 55 East 52nd St., New York, NY 10055, and its subsidiaries or affiliate entities doing business in Texas, including:

- BlackRock Investments, LLC;
- BlackRock Investment Management, LLC;
- BlackRock Corporation US Inc.;

which have a registered agent for service, Corporation Service Company, located at 211 E. 7th Street, Austin, TX 78701, to appear in person before the Committee on State Affairs of the Senate of the State of Texas, as authorized by Rule 11.20, Senate Rules, 87th Legislature, and Section 301.024, Government Code, when the committee meets at 1 Peter Whetstone Square, Marshall, Texas 75671 on December 15, 2022, at 9 a.m., then and there to produce for the inspection of the committee at the said time and place the books, papers, documents, or other tangible things in said corporation's possession, custody, or control as set out in "Attachment C" attached hereto. The reason the Committee is requesting the production of documents is to evaluate the investment practices of a financial services firm with a presence in Texas and how those practices affect the state's public pensions.

Herein fail not, but have you this writ in due time before the committee, with your return thereon, showing how you have executed the same.

Given under my hand this 22nd day of November, A.D., 2022.


 Bryan Hughes, Chair
 Senate Committee on State Affairs
 Senate of the State of Texas

OFFICER'S RETURN OF SUBPOENA

Came to hand on the ___ day of November, 2022, at ___ o'clock __.m., by delivering this subpoena to _____, the registered agent for the within named witness, at _____ County, Texas.

Committee Sergeant-At-Arms, Committee Agent, or Peace Officer

ATTACHMENT A

DEFINITIONS

“And” and “or” as used herein are terms of inclusion and not of exclusion and shall be construed either disjunctively or conjunctively as necessary to bring within the scope of this subpoena any Document or information that might otherwise be construed to be outside its scope.

“Communicate” and “Communication” mean the transmittal of information (in the form of facts, ideas, inquiries or otherwise) including, but not limited to, any conversation, discussion, letter, memorandum, meeting, note or other transmittal of information, home office letter or administrative message, whether transmitted directly, indirectly, in writing, orally, electronically or by any other means, and all notes pertaining to any of the aforesaid, and also includes any Document which abstracts, digests, transcribes or records any Communication, and any Document attached to any Communication.

“Covered Company” or “Covered Companies” means any Entity that engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy. This definition also includes companies funding or insuring such activities, including commercial banks, investment banks, and insurance companies.

“Document” means, to the broadest extent permissible by law, data or information in any readable form in Your possession, custody or control, including, but not limited to, the original and any non-identical copy (which is different from the original because of notations on such copies or otherwise) of all correspondence, telegrams, teletype messages, faxes, contracts (including drafts, proposals and any and all exhibits thereto), draft minutes and agendas, memoranda (including inter- and intra-office memoranda, memoranda for file, pencil jottings, diary entries, desk calendar entries, reported recollections, and any other written form of notation of events or intentions), transcripts and recordings of conversations and telephone calls, books, records, photographs, reports, tabulations, charts, books of account, ledgers, invoices, financial statements, purchase orders, receipts, canceled checks, e-mail, Internet mail, text messages, including but not limited to messages sent over encrypted messaging services such as WhatsApp or Signal, computer files, data files, Internet files or pages and all other documentary material of any nature whatsoever, together with any attachments thereto or enclosures therewith, as well as data or communications stored, maintained or organized electronically or magnetically through computer equipment or other information retrieval systems. “Document” further includes electronic correspondence, drafts, metadata, embedded, hidden, and other bibliographic or historical data describing or Relating to documents created, revised, or distributed on computer systems, and all duplicates of documents (whether or not identical) in the files of or in the files maintained on behalf of all directors, officers, managers, or other supervisory employees, duplicates of documents in all other files that are not identical duplicates of the originals, and duplicates of documents the originals of which are not in Your possession, custody or control. Thus, you should produce Documents that exist in electronic form, including data stored in personal computers, portable computers, workstations, minicomputers, cell phones, personal data assistants, archival voice storage systems, group and collaborative tools, electronic messaging devices, portable or removable storage media, mainframes, servers, backup disks and tapes, archive disks and tapes, and other forms of online or offline storage, whether on or off Your premises.

“Entity” means legal or business entity of any kind and includes, without limitation, companies, corporations, partnerships, joint ventures, trusts, associations, governments, governmental bodies, and associations of governments.

“ESG Integration Practices” means the practice of incorporating ESG Factors into investment decisions and/or engaging with Entities on issues Relating to ESG Factors. “ESG Integration Practices” includes, but is not limited to, the practice of using one’s position as a shareholder or other equity or debt holder of an Entity to take actions advancing environmental, ecological, climatological, social, or corporate governance-related goals. “ESG Integration Practices” further includes, but is not limited to, the use of screens or filters based on environmental, ecological, climatological, social, or corporate governance criteria in the selection of Portfolio Companies. “ESG Integration Practices” shall be construed to include all similar activities whether or not the term “ESG,” or any similar term, is used, including activities described as “socially responsible investing” and/or “sustainable investing.” “ESG Integration Practices” shall be construed to include, but is not limited to, the meanings ascribed to the term in common usage in the financial industry, and any meanings specific to You. “ESG Integration Practices” shall be construed to include, but not be limited to, not only the practice but any specific act Relating to an ESG Integration Practice.

“ESG Factors” means factors Relating to an Entity or Fund’s environmental, social, and/or governance attributes, risks, opportunities, impacts, or effects, whether present or future, actual or perceived, and whether or not priced into the company’s securities. “ESG Factors” includes, but is not limited to, factors Relating to the environmental, ecological, climatological, or social impacts of an investment target company or Fund or the investment target company’s governance structure. “ESG Factors” includes, but is not limited to, disclosable factors under SASB and/or TCFD guidelines.

“Fund” or “Funds” means Your investment products, whether active, passive, retail, institutional, or otherwise, and whether structured as ETFs, index funds, investment trusts, or otherwise. “Fund” or “Funds” includes, but is not limited to, clients and accounts, whether managed or advised separately or in commingled form, including commingled and collective funds, investment companies (whether registered or exempt from registration) and their non-U.S. equivalents.

“Senate Committee” means the Texas Senate Committee on State Affairs.

“Global Climate Initiative” means any group, organization, or affiliation of private and/or public individuals or entities, the goal of which is to use any part of the financial system to reduce or eliminate greenhouse gas emissions or otherwise pursue environmental goals. Global Climate Initiatives include but are not limited to the Glasgow Financial Alliance for Net Zero, Ceres, Climate Action 100+, Net Zero Asset Managers Initiative, and Net Zero Banking Alliance.

“Identify” means to provide:

- a. Regarding an individual, to identify that individual’s: i. name; ii. title; iii. present business affiliation; iv. current or last known telephone numbers at business and home; and v. current or last known business and home addresses.
- b. Regarding a Person other than an individual, to identify: i. its full name; ii. the nature of its organization; iii. the address and telephone number of its principal offices and, if

applicable, the state in which it is incorporated; and iv. its principal line of business or activity.

c. Regarding a Communication: i. date of the Communication; ii. type of Communication (telephone conversation, meeting, etc.); iii. place where the Communication took place; iv. the person who made the Communication and the person's employer and job title; v. identity of each person who received the Communication or was present when it was made along with each person's employer and job title; and, vi. subject matter discussed.

d. Regarding any other tangible or intangible thing, to identify: i. what it is, giving a reasonably detailed description thereof; ii. when, where, and how it was made, if applicable; iii. who made it, if applicable; and iv. its current custodian or the person that had last known possession, custody, or control thereof

“Person” means any individual person or Entity.

“Portfolio Company” or “Portfolio Companies” means any Covered Company in which You, or any of Your Funds, directly or indirectly own an equity or debt interest, or to which You are a lender in any way, either for Your own account or on behalf of any client, in which such equity or debt interests constitute assets in any of your Funds or assets you otherwise manage on behalf of Your clients.

“Regarding” and “Relating” mean being in any way legally, logically, or factually connected with the subject matter of the request at issue.

“Relevant Period” means for the period from **November 1, 2019** to the present.

“Research” means any and all research, analysis, assessment, study, report, audit, memorandum, or other investigation You conducted, drafted, created, commissioned, reviewed, received, or used.

“You” and “Your” mean BlackRock, Inc., its domestic and foreign parents, predecessors, divisions, subsidiaries, affiliates, partnerships, and joint ventures, and all directors, officers, managers, employees, agents, and representatives of the foregoing. The terms “subsidiary”, “affiliate”, and “joint venture” refer to any Person of which You currently have or during the Relevant Period had partial (25 percent or more) or total ownership or control.

ATTACHMENT B

INSTRUCTIONS

1. Read these instructions and definitions carefully.
2. All Documents and/or other data which Relate to the subject matter or requests of this subpoena must be preserved. Any ongoing, scheduled, or other process of Document or data destruction involving such Documents or data must cease even if it is your normal or routine course of business for you to delete or destroy such Documents or data and even if you believe such Documents or data are protected from discovery by privilege or otherwise. Failure to preserve such Documents or data may result in legal action and may be regarded as spoliation of evidence under applicable law.
3. All references to year refer to calendar year. Each of the Document Requests calls for the production of all Documents Relating to the Relevant Period, regardless of when such document came into being or was communicated to You.
4. This subpoena shall be deemed continuing in nature so as to require production of all Documents responsive to any Document Request that were produced or obtained by you up to the date of Your full compliance with this subpoena.
5. Each Document and other tangible thing produced shall be clearly designated as to which Document Request, and each sub-part of a Document Request, that it satisfies. The Documents produced shall be identified and segregated to correspond with the number and subsection of the request.
6. If search terms were used to conduct all or any part of the search, provide a list of search terms used, along with a glossary of industry and company terminology. In addition, describe the search methodologies, including by Identifying all custodial files and central locations searched, and the applications used to execute the search. The Senate Committee, through its representative identified in Instruction 13, may require additional or different search terms and/or methodologies. Your response to this subpoena and productions thereunder will not be considered complete unless (a) the Senate Committee representative identified in Instruction 13 has approved in writing Your search terms and methodologies and (b) You have certified compliance with any additional or different search terms and/or methodologies required by the Senate Committee at any point during the investigation.
7. Before You prepare Documents or information for production in electronic form (for example, before You attempt to copy, for Your response to this subpoena, Documents or information from an electronically stored source onto a disk or other electronic storage medium) You must contact the Senate Committee representative identified in Instruction 13 to arrange a meeting or conference call with Your personnel who are familiar with the electronic files in which the Documents or information are stored, to explain to the Senate Committee the manner in which the Documents or information are stored, and the types of information that are available on the electronic source. The Senate Committee representative must approve the format and production method for electronic data in advance of the submission of Your response. Unless otherwise agreed to in writing by the designated Senate Committee representative, electronically stored information shall be produced in electronic form.

8. If any Documents or information are withheld from production based on a claim of privilege, provide a statement of the claim of privilege and all facts relied upon in support thereof, in the form of a log that includes each document's control number(s), author(s), addressee(s), all recipients of the original and any copies, date, a description of the subject matter of each document, the legal basis for the assertion that the privilege is recognized as a valid reason to withhold documents in response to this subpoena, and the Document Request(s) of this subpoena to which the document is responsive. In addition:

Each page of each document withheld must be marked with corporate identification and consecutive document numbers;

Attachments to a document should be identified as such and entered separately on the log;

For each author, addressee, and recipient, state the person's full name, title, and employer or firm (You may supply this information on a legend separate from the privilege log);

All attorneys acting in a legal capacity with respect to the communication shall be identified on the log with an asterisk;

The description of the subject matter shall include the number of pages of each document and shall describe the nature of each document in a manner that, though not revealing information itself privileged, provides sufficiently detailed information to enable the Senate Committee to assess the applicability of the privilege claimed;

For each document withheld under a claim that it constitutes or contains attorney work product, also state whether You assert that the document was prepared in anticipation of litigation or for trial and, if so, identify the anticipated litigation or trial upon which the assertion is based;

Submit all nonprivileged portions of any responsive document (including nonprivileged or redactable attachments) for which a claim of privilege is asserted (except where the only nonprivileged information has already been produced in response to this instruction), noting where redactions in the document have been made; and

The privilege log shall be produced in both hard-copy and electronic form.

9. If Documents responsive to a particular Document Request no longer exist but You have reason to believe the Documents did exist during the Relevant Period, state the circumstances under which they were lost or destroyed, describe the Documents to the fullest extent possible, state the Document Request (s) to which they are responsive, and identify persons having knowledge of the content of such Documents.

10. No agreement or stipulation by the Senate Committee or any of its representatives purporting to modify, limit or otherwise vary this subpoena shall be valid or binding unless confirmed or acknowledged in writing, or made of record in open court, by a duly authorized representative thereof.

11. In order for Your response to this subpoena to be complete, the official supervising compliance with this subpoena must certify completion on a notarized form to be submitted along with the complete set of responsive materials.

12. Unless otherwise defined in Attachment A, all terms used throughout this subpoena, and related Attachments, shall be given their ordinary meaning.

13. Any questions You have relating to this subpoena should be directed to Drew Tedford, Committee Director for the Senate Committee on State Affairs.

Drew Tedford

201 E. 14th St., Room 380

Austin, TX 78701

drew.tedford@senate.texas.gov

512-463-0380

ATTACHMENT C

DOCUMENT REQUESTS

1. Agendas, minutes, notes, call reports, presentations, summaries, and other documents of each board and committee within You that has authority to set or implement policy over Your ESG Integration Practices regarding (i) any Global Climate Initiative and (ii) any ESG Integration Practice, ESG Factor, or engagement with or potential or actual voting action on any Covered Company.
2. All Documents and Communications containing Research Relating to the effects of ESG Integration Practices or ESG Factors on the financial outlook, risk/return profile, performance, or profitability of any Fund or Portfolio Company, including (i) the 53 companies that You took voting action against and the 191 companies that You put “on watch” in 2020¹ and (ii) the 234 companies where You voted in 2021-2022 to signal concerns about climate action or disclosure.²
3. All Communications with and Documents Relating to meetings with Portfolio Companies regarding any ESG Integration Practice or ESG Factor relating to that company's achievement of environmental goals beyond what is required by state and federal law. You may limit the scope of this request to the ten largest Portfolio Companies overall and five largest Portfolio Companies with a Texas presence among (i) the 53 companies that You took voting action against and the 191 companies that You put “on watch” in 2020 and (ii) the 234 companies where You voted in 2021-2022 to signal concerns about climate action or disclosure.
4. All Documents and Communications Relating to any Global Climate Initiative, or any committee, board, group, or subgroup thereof, including, Documents and Communications Relating to Your decision to become involved with and/or join each Global Climate Initiative. This Request includes:
 - a. Documents and Communications Relating to the Climate Action 100+ Steering Committee, the Ceres North America Working Group, the PRI Global Working Group, and any focus company engagement group;
 - b. Documents and Communications Relating to Your role as lead investor with respect to any Climate Action 100+ focus company;
 - c. Documents and Communications Relating to Your Net Zero Asset Managers Initiative initial disclosure to the Network Partners, including, without limitation, the “[i]nformation on the asset manager’s policy in relation to fossil fuel investment” called for by such disclosure, and any drafts thereof and supporting Documents;

¹ BlackRock *Investment Stewardship Annual Report* January 1-December 31, 2020, at p.46-47, available at <https://www.blackrock.com/corporate/literature/publication/blk-annual-stewardship-report-2020-calendar-year.pdf>

² BlackRock, *2022 voting spotlight summary* at p. 20, available at <https://www.blackrock.com/corporate/literature/publication/2022-investment-stewardship-voting-spotlight-summary.pdf>

- d. Communications between You and any Global Climate Initiative or any committee, board, group, or subgroup thereof;
 - e. Communications between You and any signatory or member of a Global Climate Initiative Relating to the Global Climate Initiative, the Global Climate Initiative’s mission, purpose, or activities, and/or any ESG Factors Relating to any company.
5. All Documents and Communications Relating to steps taken by You to fulfill Your commitment to “[i]mplement a stewardship and engagement strategy, with a clear escalation and voting policy, that is consistent with our ambition for all assets under management to achieve net zero emissions by 2050 or sooner” as part of Your participation in the Net Zero Asset Managers initiative.
 6. All Documents and Communications Relating to requests that You modify Your ESG Integration Practices from any representative of (a) any retirement system or pension fund, including but not limited to the California Public Employees Retirement System, any New York City retirement system, or Japan’s Government Pension Investment Fund, or (b) any foreign country, sovereign fund, or international organization, including but not limited to China, Ceres, and the United Nations.
 7. All side letters, agreements, instructions, or notes of meetings regarding Your activities with respect to ESG Integration Practices as they relate to any Person for which there are responsive Documents related to Request #6.
 8. All Research related to the benefits or risks to Your business and growth prospects if You do or do not modify Your ESG Integration Practices in response to requests from any Person for which there are responsive Documents related to Request #6.

ATTACHMENT D

REQUESTS FOR INDIVIDUALS

The Senate Committee requests that You make one of the following individuals present and available to answer questions at the hearing:

- Larry Fink, Chairman and CEO of BlackRock.
- Rob Kapito, President of BlackRock.
- Mark McCombe, Senior Managing Director and Chief Client Officer of BlackRock.
- Philipp Hildebrand, Vice Chairman of BlackRock.
- Sandy Boss, Senior Managing Director and Global Head of Investment Stewardship.
- Michelle Edkins, Managing Director of BlackRock Investment Stewardship.