



Walden Asset Management[®]

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Statement in Response to BlackRock Post on its Website on Climate Change

March 13, 2017

Walden Asset Management

Boston, MA

Background

A number of investors, led by Walden Asset Management and the Center for Community Change, along with the City of Seattle Employees' Retirement System and First Affirmative Financial Network, filed a shareholder resolution requesting a review of BlackRock's proxy voting process and record on climate change.

Following extensive engagement and constructive dialogue between BlackRock, Walden and a number of investors, the shareholder resolution was withdrawn. As a result of the dialogue, BlackRock has updated its website to provide fresh insights into the ways it believes climate change creates risks and opportunities for companies. BlackRock also noted that climate risk will be a priority for their engagement with companies and boards throughout 2017 and 2018.

Statement from Tim Smith, Director of ESG Shareowner Engagement

BlackRock's announcement that climate risk will be a priority in their engagements with public companies is an exceedingly important message being sent by the world's largest investment manager. Hearing directly from one of your largest shareholders that they believe climate risk is a priority reinforces the importance of the issue for senior management of public companies.

The statement also highlights the importance of climate competency at the Board level and notes this issue will be raised in direct conversations with selected independent directors. BlackRock meets with 1,500 companies a year.

BlackRock has historically focused on governance issues when voting, while engaging on environmental and social issues. When BlackRock voted against management or individual directors, it was more often on governance issues than in favor of social issues or those relating to the environment.

We are hopeful that BlackRock's announcement and its engagement on climate risk will also result in active support for shareholder resolutions on climate change going forward.

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