



BlackRock

Locations: New York (HQ)

Industries: Diversified Financials

RISK LEVEL:



High Risk

DESCRIPTION:

BlackRock scored a 100 on the 2023 Corporate Equality Index (CEI) from the Human Rights Campaign (HRC), a political stakeholder group. The company leverages its managed assets to coerce corporate change via proxy votes and other channels to accomplish its goals related to climate change, racial equity, and gender identity. The asset manager will use discretion in lending to ban certain industries, such as guns/ammo and oil and gas, in some cases. By complying with the HRC's controversial demands, BlackRock increases the risk of dividing employees, alienating customers and harming shareholders. The company covers transgender-related medical costs for its employees and their children and provides specific sexual orientation and gender identity-based benefits. It also uses sex and gender ideology criteria in employee recruitment, vendor selection, marketing, and philanthropic support. BlackRock forces employees to undergo multiple ideological trainings and uses its reputation, corporate funds, and political influence to support controversial sex and gender ideologies, organizations, and legislation. BlackRock provides a benefits package for employees which covers travel/lodging costs for an abortion and transgender medical procedures for covered employees and dependents, including children. America First Legal filed a letter with the EEOC requesting a civil rights investigation into BlackRock over discriminatory practices in hiring. The company is an advocate for the Equality Act and has denounced state legislative efforts to reform its electoral process in 2021. BlackRock is a signatory of the Business Roundtable's 2019 Statement on the Purpose of Corporation, which promotes stakeholder capitalism. It has also funded Planned Parenthood. BlackRock is a member of the Ceres Network, Climate Action 100+, PCAF, and the Net Zero Asset Managers Initiative. The company is a signatory to the CFA Institute's Diversity, Equity, and Inclusion Code, indicating its support of DEI in its recruitment, hiring, onboarding, and promotions. Furthermore, the company pledges to integrate DEI into its policies, promote DEI in the investment industry, and provide regular reporting on its DEI metrics to the CFA Institute. For these reasons, BlackRock receives a High Risk rating.

Corporate Weaponization

Has denied service to customers, suppliers, or vendors due to their political views or religious beliefs OR corporately boycotts, divests, or sanctions regions, people groups, or industries. **High Risk**

BlackRock received a score of 100 on the 2023 Corporate Equality Index (CEI) from the Human Rights Campaign (HRC), a political stakeholder group. The company recruits' employees based on sexual identity issues. The company discriminates against vendors that do not promote divisive sex and gender policies, indicating it prioritizes sexual issues over merit (1)(2). More importantly, as an asset manager, BlackRock consistently leverages its funds to pressure companies towards change around issues like racial equity, gender diversity, and climate change (3)(4). If a company is noncompliant, BlackRock takes action to vote against Board Members, bring shareholder resolutions on behalf of all of their clients (regardless of those clients' potential disagreements), and more. In 2018, after the Parkland shooting, BlackRock de-listed retailers that sell ammunition from some of its mutual funds (5). BlackRock's CEO, Larry Fink, unabashedly promotes his viewpoints and thrusts them onto companies via financial threats, proxy votes, and signaling in his regular letters to CEOs (6)(7). Due to an allegedly discriminatory internship program, America First Legal filed a complaint against

BlackRock with the EEOC (8)(910)(11).

Charitable giving (including employee matching programs) policies or practices discriminate against charitable organizations based on views or religious beliefs. High Risk

BlackRockRC CEI rating indicates the company will not donate to non-religious charities unless they embrace controversial sexual identity policies (1)(2).

Employment policies fail to protect against discrimination based on political affiliation/views and/or religion. High Risk

BlackRock indicates the company forces employees to attend multiple, controversial trainings on gender identity, sexual orientation, transgender issues, and divisive racial ideology. The company provides gender transition guidelines for its employees and a specific benefits guide with a comprehensive explanation of transgender services funded by the company (1)(2). America First Legal filed a letter with the EEOC requesting a civil rights investigation into BlackRock over discriminatory practices in hiring (3)(4). BlackRock also has an internal racial equity task force that has allegedly instituted racial hiring quotas (5). The company protects its employees against viewpoint discrimination (6).

Corporate Governance and Public Policy

Uses corporate reputation to support ideological causes and/or organizations hostile to freedom of expression. High Risk

BlackRock indicates the company agrees to allow a controversial stakeholder group focused on sexual identity issues to dictate marketing or advertising strategy (1)(2). By doing so, the company risks dividing employees, alienating customers and harming shareholders. BlackRock signed an open letter in support of the Equality Act and denounced state election integrity efforts (3)(4). The company's CEO Larry Fink said that "climate risk is investment risk" and has used this justification to impose strict ESG requirements on all of BlackRock's clients (5). BlackRock CEO Larry Fink is a member of the Business Roundtable and signed its 2019 Statement on the Purpose of Corporation, which promotes stakeholder capitalism over traditional obligations to shareholders and customers (6)(7). BlackRock is a member of the Ceres Network (8). The company is a member of Climate Action 100+, committed to carbon neutrality by 2050 (9). BlackRock is a member of the Partnership for Carbon Accounting Financials, committed to net zero carbon emissions by 2050 (10). The company is a member of the Net Zero Asset Managers Initiative, committed to net zero carbon emissions by 2050 (11)(12)(13)(14).

Uses corporate funds to advance ideological causes, organizations, or policies hostile to freedom of expression. High Risk

BlackRock provides a benefits package for employees which covers travel/lodging costs for an abortion and transgender medical procedures for covered employees and dependents, including children (1)(2)(3)(4). BlackRock indicates the company covers transgender related costs for its employees and their children, including paid short-term leave, puberty blockers, cross-sex hormones, chest surgeries, genital surgeries, medical visits and lab monitoring, travel and lodging. Additionally, the company has pledged philanthropic support of at least one organization or event that promotes sex and gender ideology (5)(6). By allowing a political stakeholder group to dictate operations, the company increases health care costs and risks dividing employees, alienating customers

and harming shareholders. The company stated, "Through company-sponsored health insurance, we have long provided reproductive health care services, including coverage for birth control and abortion or miscarriage care." (7). BlackRock consistently uses the funds it manages to actively transform other corporations in order to achieve immaterial goals such as climate change, racial equity, and gender identity. (8). For companies that do not meet its ESG requirements, BlackRock has threatened to sell its existing shares (9)(10)(11)(12). BlackRock imposes carbon-neutral goals and climate disclosures, as well as other Paris Climate Accord requirements, on some of its Western clients and index funds but not in China (13)(14)(15). Furthermore, BlackRock used its 5% ownership of ExxonMobil to aid in the hostile shareholder takeover at ExxonMobil in June 2021 (16). It aims to make the energy company carbon neutral. BlackRock pledged over \$800 million to Black Lives Matter movement and related causes (17)(18)(19).

Uses corporate political contributions for ideological, non-business purposes.

High Risk

BlackRock indicates the company publicly advocated for controversial sex and gender ideology through local, state or federal legislation or initiatives (1)(2). By allowing a political stakeholder group to dictate operations, the company risks dividing employees, alienating customers and harming shareholders. BlackRock has not used its PAC donations or lobbied for ideological purposes (3)(4)(5)(6).

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