

BANKING/FINANCE

BlackRock Puts Climate at Center of \$7 Trillion Strategy

by Annie Massa

Larry Fink struck an urgent note in his annual letter to America's corporate executives: Climate change will upend global finance sooner than they might think.

The BlackRock Inc. chief executive officer issued his strongest warning yet to business leaders on the climate crisis, and said his firm will take steps to address the issue across the thousands of companies in which it invests.

That may be harder than it sounds for a firm that holds more than two-thirds of its roughly \$7 trillion of assets in products linked to indexes. Shifting holdings in those funds depends on what's included in benchmarks determined by companies such as MSCI Inc.

Protesters have been trailing Fink to work, speaking engagements and formal events, decrying BlackRock for inaction on global warming and other issues. On Tuesday, he unveiled a specific set of climate-related changes to BlackRock's investment processes.

"Climate change has become a defining factor in companies' long-term prospects," Fink wrote in his annual letter to corporate executives. "Awareness is rapidly changing, and I believe we are on the edge of a fundamental reshaping of finance."

Fink is tackling the subject as asset managers come under greater pressure on sustainability, with BlackRock in particular facing increasing scrutiny for its behavior and voting record around environmental issues.

Among the changes outlined on Tuesday: making sustainability integral to portfolio construction and risk management; exiting investments that present a high sustainability-related risk; launching new investment products that screen fossil fuels; and strengthening the firm's commitment to sustainability and transparency in its investment stewardship activities.

The company will exit both debt and equity investments in thermal coal producers in its active portfolios. The firm has about \$1.8 trillion in active assets under management.

While changing the holding of index-tracking products could be tricky, BlackRock said it would undertake a number of steps to bring climate considerations to its passive funds.

The firm will double its lineup of sustainable exchange-traded funds to about 150, and pressure index providers to create sustainable versions of their flagship indexes, according to a client note outlining the changes.

Groups such as Amazon Watch, the Sunrise Project, and coalitions of youth activists and parents have all targeted BlackRock recently, asking for more action around the global crisis of climate change.

BlackRock's size puts it in a delicate position: operating in more than 30 countries, and as one of the biggest holders of most U.S. publicly traded companies, its clients include large sovereign wealth funds, state pension plans and financial advisers with viewpoints



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Larry Fink, BlackRock's chief executive officer, said his firm will take steps to address climate change across the thousands of companies in which it invests.

that don't necessarily align on what to do about climate change and social justice issues.

Diana Best, a senior strategist for the Sunrise Project, a nonprofit that seeks to rally organizations to advocate for climate change, said that Fink's letter and BlackRock's business changes set a good example.

"BlackRock's new initiatives match the size of the crisis we're seeing," Best said in an emailed statement. "Putting climate change at the absolute center of its business is the way every company should respond to this planetary emergency."

Nonprofit Majority Action analyzed the 2019 proxy voting records of BlackRock and its peer Vanguard Group, and found the two firms voted against at least 16 climate-related shareholder proposals where their support could have given the measures majority support.

"The asset management industry is uniquely placed to help drive global decarbonization efforts, but it requires a concerted effort from all, not just the few," said Alex Bibani, who manages a responsible investment fund at Sarasin & Partners in London. "We are pleased to see BlackRock making these positive steps and hope that others, such as Vanguard, follow suit."

Fink's letter, which mentions "climate" 29 times, builds on previous missives advising corporate leaders on how to orient their businesses for the long term. In previous years he's underscored the theme that profit and social purpose are inextricably linked, an idea he mentioned again in the latest letter. People are looking to corporate executives to step in and offer fixes to social problems that governments are failing to solve, Fink wrote last year.

Earlier in January, BlackRock joined Climate Action 100+, a group of more than 370 investment managers with a combined \$41 trillion in assets that pressures greenhouse gas emitters to reform.

Annie Massa reports for Bloomberg News.



CITY OF DORAL NOTICE OF PUBLIC HEARING

All residents, property owners and other interested parties are hereby notified of a **Local Planning Agency (LPA)** meeting on **Wednesday, January 29, 2020 beginning at 5:00 PM**, to consider the following text amendment to the City of Doral Land Development Code. This meeting will be held at the **City of Doral, Government Center, Council Chambers located at 8401 NW 53rd Terrace, Doral, Florida, 33166.**

The City of Doral proposes to adopt the following Resolution:

RESOLUTION No. 20-

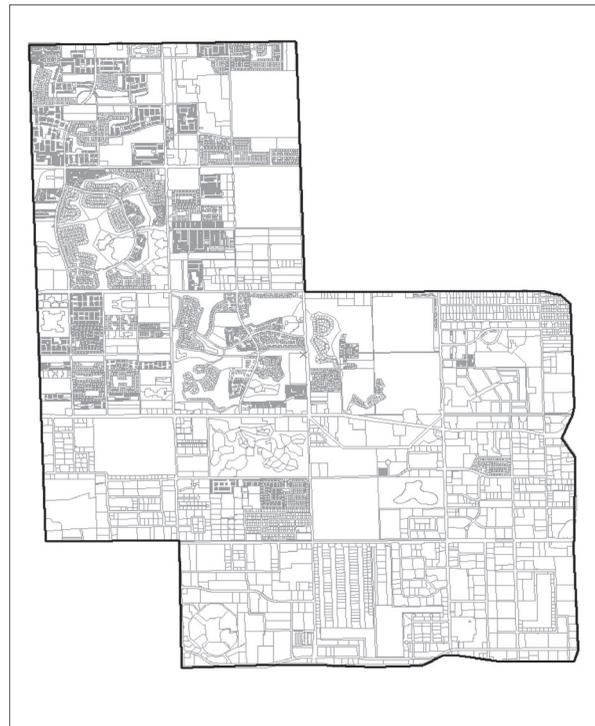
A RESOLUTION OF THE MAYOR AND THE CITY COUNCIL OF THE CITY OF DORAL, FLORIDA, SITTING AS THE LOCAL PLANNING AGENCY, RECOMMENDING APPROVAL / DENIAL OF, OR GOING FORWARD WITHOUT A RECOMMENDATION TO TRANSMIT TO THE LOCAL GOVERNING BODY AN AMENDMENT TO THE CITY OF DORAL LAND DEVELOPMENT CODE SECTION 53-128 ENTITLED "USE COMPATIBILITY TABLE", PROHIBITING MEDICAL MARIJUANA TREATMENT CENTER DISPENSARIES WITHIN ALL ZONING DISTRICTS WITHIN THE CITY OF DORAL; AND PROVIDING FOR AN EFFECTIVE DATE

HEARING NO.: 20-01-DOR-01

APPLICANT: City of Doral

REQUEST: The City of Doral (the "Applicant") is requesting Mayor and City Council approval to prohibit the establishment of Medical Marijuana Treatment Center Dispensaries within all zoning districts in the City of Doral.

Location Map



Information relating the subject application is on file and may be examined in the City of Doral, Planning and Zoning Department Located at **8401 NW 53rd Terrace, Doral, FL. 33166**. All persons are invited to appear at this meeting or be represented by an agent, or to express their views in writing addressed to the City Clerk, **8401 NW 53rd Terrace, Doral, FL. 33166**. Maps and other data pertaining to these applications are available for public inspection during normal business hours in City Hall. Any persons wishing to speak at a public hearing should register with the City Clerk prior to that item being heard. Inquiries regarding the item may be directed to the Planning and Zoning Department at 305-59-DORAL.

Pursuant to Section 286.0105, Florida Statutes If a person decides to appeal any decisions made by the City Council with respect to any matter considered at such meeting or hearing, they will need a record of the proceedings and, for such purpose, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. This notice does not constitute consent by the City for introduction or admission of otherwise inadmissible or irrelevant evidence, nor does it authorize challenges or appeals not otherwise allowed by law. In accordance with the Americans with Disabilities Act, all persons who are disabled and who need special accommodations to participate in this meeting because of that disability should contact the Planning and Zoning Department at 305-59-DORAL no later than three (3) business days prior to the proceeding.

NOTE: If you are not able to communicate, or are not comfortable expressing yourself, in the English language, it is your responsibility to bring with you an English-speaking interpreter when conducting business at the City of Doral during the zoning application process up to, and including, appearance at a hearing. This person may be a friend, relative or someone else. A minor cannot serve as a valid interpreter. The City of Doral DOES NOT provide interpretation services during the zoning application process or during any quasi-judicial proceeding.

NOTA: Si usted no está en capacidad de comunicarse, o no se siente cómodo al expresarse en inglés, es de su responsabilidad traer un intérprete del idioma inglés cuando trate asuntos públicos o de negocios con la Ciudad de Doral durante el proceso de solicitudes de zonificación, incluyendo su comparecencia a una audiencia. Esta persona puede ser un amigo, familiar o alguien que le haga la traducción durante su comparecencia a la audiencia. Un menor de edad no puede ser intérprete. La Ciudad de Doral NO suministra servicio de traducción durante ningún procedimiento durante el proceso de solicitudes de zonificación.

Connie Diaz, MMC
City Clerk
City of Doral