Chairman Hughes, Vice Chairman Birdwell, and members of the Committee—My name is Dalia Blass, I am a Senior Managing Director, Head of the External Affairs Group, and a member of BlackRock’s Global Executive Committee. Given the cross-functional responsibilities of the group I lead, I am involved in our stewardship and sustainability activities, which I understand are areas you are interested in discussing. Thank you for the opportunity to speak with you today. I also appreciate the opportunity to listen to you as elected representatives of the people of Texas.

BlackRock’s story is one of American success and innovation – the firm was started 34 years ago by our CEO, Larry Fink, and seven other partners working out of a single room. It was founded on the principles of putting clients first, offering them choice to meet their unique needs and providing them unparalleled risk management.

This unwavering focus on clients has led to more and more people entrusting us with their money. We are proud to be helping more than 35 million Americans1, including nearly 3.5 million Texans2, invest to save for retirement. In fact, our

1 As of Dec. 31, 2021. The overall number of Americans is calculated based on estimates of participants in BlackRock’s Defined Contribution and Defined Benefit plan clients. The Defined Contribution number is estimated based on data from FERS as well as BrightScope for active participants across 401(k) and 403(b). Defined Contribution includes plans with over $100M+ in assets where participants have access to one or more BlackRock funds; some may not be invested with BlackRock. The Defined Benefit number is estimated based on data from public filings and Pension & Investments for the total number of participants across the 20 largest U.S. Defined Benefit plans that are not also Defined Contribution clients of BlackRock.

2 The number of Texans is calculated based on estimates of participants in BlackRock’s Defined Contribution and Defined Benefit plan clients based in Texas. The Defined Contribution number is estimated based on data from BrightScope for active participants across 401(k) and 403(b). Defined Contribution includes plans with over $100M+ in assets where participants have access to one or more BlackRock funds; some may not be invested with BlackRock. Participants’ location is based on the headquarters location of the Defined Contribution plan sponsor, and as such, the participant count will include employees that are not located in the state, given that many of these organizations operate nationally. The Defined Benefit number is estimated based on the number of participants in the Teacher Retirement System of Texas, the Texas Municipal Retirement System, and the Employees Retirement System of Texas, as disclosed on public filings. The Teacher Retirement System of Texas, the Texas Municipal Retirement System, and the Employees Retirement System of Texas, as disclosed on public filings.
December 15, 2022
Dalia Blass – Texas Senate Committee Opening Statement

relationships with Texas clients are some of the oldest at the firm, with some going back 30 years. We have been fortunate to grow these relationships since then, and we are proud to now serve over 100 Texas institutions. Many of our clients’ assets are also invested right here in Texas: we have helped our clients invest over $300 billion in Texas³—to grow Texas businesses; fund Texas communities; and build Texas roads, schools and pipelines, including the Los Ramones and Whistler pipelines.

We do this with the goal of delivering investment performance so our clients can meet their financial goals. We understand how important the money we manage is to our clients; most of the assets we manage are for someone’s retirement. And we are delivering investment performance for our clients both inside and outside of Texas.

We are fortunate to have a large and diverse client base with unique investment goals and objective. Therefore, we offer them a broad choice of investment products to meet their unique goals. Ultimately, the decision on how to invest their money is theirs, and we follow their instructions.

On behalf of our clients, we are significant investors in public energy companies, including many here in Texas, such as Exxon, ConocoPhillips, Valero, Phillips 66,

³ As of September 30, 2022, Based on issuers domiciled in Texas.
Dec 15, 2022
Dalia Blass – Texas Senate Committee Opening Statement

Occidental Petroleum and Cheniere. We also have made significant private investments in Texas energy companies, ranging from a natural gas utility, to an energy storage company, to carbon capture. As of the end of the last quarter, on behalf of our clients, we had $107 billion invested in public Texas energy companies\(^4\) alone.

We believe investor choice also should extend to proxy voting. In speaking with clients over the past few years, it became clear to us that more and more investors want to express their own views on corporate governance in a meaningful way. So we pioneered Voting Choice to empower our clients to vote their shares as the true owners of the companies we invest in. We offer more choice to clients on how to vote proxies than any other firm in the industry. Currently, all our public pension plan clients in the United States, including those in Texas, are eligible for Voting Choice, and we are working on how to expand the offering to even more investors, including individual investors.

And finally, we deliver performance by managing risks and opportunities in client portfolios. While BlackRock may be synonymous today with index investing, our roots are as an active manager. At our beginning, we were small but we proved to the market that we had skills and tools to manage risks and opportunities in active portfolios better than others. And that ethos—understanding and managing risks and opportunities—remains core to our firm culture. We study dozens of material

\(^4\) As of September 30, 2022. Based on Texas domiciled public energy companies. “Energy companies” refers to corporations classified as belonging to the GICS-1 Energy Sector.
investment risks, including climate risks, and their relevant impact on portfolios. We do this because we are fiduciaries focused on delivering the best investment results for our clients.

In sum, we are proud of the role we have played since our founders sat in that single room 34 years ago in delivering value for our clients, providing unparalleled choice in investment solutions, and offering a data-based approach to risk management.

**Conclusion**

Thank you again for the opportunity to share our story, understand your concerns, and answer your questions.