

PROXY VOTING REVIEW BY BLACKROCK

BlackRock is a respected global leader in the financial services industry, with commendable policies and practices addressing environmental, social and governance (ESG) topics.

Larry Fink, BlackRock's CEO sent a letter in February 2016 to S&P 500 companies expressing concern at the lack of focus on environmental and social risks stating "For too long, companies have not considered them core to their business – even when the world's political leaders are increasingly focused on them, as demonstrated by the Paris Climate Accord."

"Over the long-term, environmental, social and governance (ESG) issues – ranging from climate change to diversity to board effectiveness – have real and quantifiable financial impacts" he concluded.

On climate change, BlackRock has become an active and effective investor voice warning about the risks of climate change to investors and their portfolios. In a September 2016 Barron's article, Ewen Cameron-Wall, a senior Director at BlackRock, stated "Investors can no longer ignore climate change. Climate factors have been under-appreciated and underpriced..."

In summary, BlackRock seems sophisticated and knowledgeable about climate change and the need for portfolio companies to address the issue.

BlackRock's unit on voting proxies focuses appropriately on clients' economic interests in voting proxies and actively votes for numerous governance reforms proposed by shareholders believing these issues affect shareholder value.

BlackRock is a prestigious member of the Principles for Responsible Investment (PRI) a global network of investors and asset owners representing more than \$62 Trillion in assets. One of the Principles encourages investors to vote conscientiously on ESG issues.

Yet BlackRock's publicly reported proxy voting record reveals consistent votes against virtually all climate related resolutions (except the few supported by management) such as requests for enhanced disclosure or adoption of greenhouse gas reduction goals, even when independent experts advance a strong business and economic case for support.

In contrast funds managed by investment firms such as, Alliance Bernstein, Morgan Stanley, Neuberger Berman and Wells Fargo, supported the majority of these resolutions. Goldman Sachs, State Street Global Advisors and TIAA also voted for a significant percentage of climate resolutions.

BlackRock's voting practices, which appear inconsistent with company

statements to companies and internal policies addressing climate change, pose reputational risk for the company. Moreover, proxy voting practices that ignore climate change fail to recognize significant company-specific and economy-wide risks associated with negative impacts of climate change. For example, companies effectively addressing climate changes that impact their business are protecting long-term shareholder value.

Thus we believe it is BlackRock's fiduciary duty to review how climate change impacts our economy and portfolio companies and evaluate how shareholder resolutions on climate may impact shareholder value and vote accordingly.

Resolved: Shareowners request that the Board of Directors initiate a review and issue a report on our proxy voting policies and practices related to climate change prepared at reasonable cost and omitting proprietary information.