July 29, 2025

Mr. Larry Fink
Chairman and Chief Executive Officer
BlackRock
50 Hudson Yards
New York, NY 10001

Dear Mr. Fink:

As financial officers entrusted with safeguarding our states' public funds, we write to express our deep concern about the erosion of traditional fiduciary duty in American capital markets. Over the past several years, many large financial institutions have used their positions as stewards of trillions in passive investments, such as index and target-date funds, to advance social and political agendas that fall outside the scope of materiality and positive financial return. The January federal court ruling in *Spence v. American Airlines*, which found that American Airlines breached its duty of loyalty under the Employee Retirement Security Act (ERISA) by allowing BlackRock to use proxy voting policies to advance environmental, social, and governance (ESG) goals, underscores the importance of adhering to traditional fiduciary standards. The very occurrence of this case illustrates just how far fiduciary standards have splintered.

While some firms have recently taken encouraging steps, such as withdrawing from global climate coalitions and scaling back ESG rhetoric and proxy votes, and some states have permitted incremental reintegration, more work must be done. The number one issue is a recommitment to the foundational principles of fiduciary duty, loyalty, objectivity, and financial focus.

We therefore request that asset managers seeking to do business with our states take specific steps to reaffirm and operationalize their commitment to traditional fiduciary duty. This includes:

1) Abandoning the practice of framing deterministic future outcomes as long-term risks to justify immediate ideological interventions through corporate engagement or proxy

voting. Climate change is a common example of this issue, where potential risks—often uncertain and already accounted for in insurance and financial markets—are framed as certain and catastrophic to justify forcing companies to take immediate actions that may not align with their long-term business interests. Successful long-term investing relies on diversified portfolios rather than speculative predictions presented as guaranteed outcomes.

2) A commitment not to use passive investment vehicles for activist proxy voting or corporate engagement. Passive investing is designed to provide economic benefits of shareholder ownership, as reflected in price appreciation over time. Using that ownership position to actively influence company behavior beyond material and relatively short-term financial considerations breaches the expectations of millions of Americans who selected these vehicles for broad market exposure and low cost.

3) A commitment to abstain from embedding international political agendas, such as net-zero climate mandates, natural capital frameworks, or the EU's Corporate Sustainability Reporting Directive (CSRD), into default investment strategies and corporate engagement. These approaches often rely on predetermined political outcomes, not fiduciary judgment, and they risk overriding market signals in favor of ideological consensus.
4) Clear and transparent proxy voting guidelines and stewardship practices that reflect a singular focus on shareholder value. Voting decisions and corporate engagement must be aligned with shareholder value, not environmental or social goals imposed by activists.

5) A full disclosure of all affiliations and collaborative initiatives (e.g., Climate Action 100+, GFANZ, PRI) that could influence investment strategy or engagement priorities. Participation in such groups must not compromise a fiduciary's obligation to act solely on behalf of beneficiaries.

Fiduciary duty has long been a critical safeguard that facilitated efficient capital allocation grounded in financial merit rather than political ideology. But that clarity is being diluted under the banner of so-called "long-term risk mitigation," where speculative assumptions about the future, like climate change catastrophe, are used to justify ideological conclusions today. This deterministic approach to investing is not consistent with the fiduciary's role that recognizes uncertain and unknowable future outcomes and, hence, the construction of diversified portfolios.

Financial institutions wishing to compete for our states' business should provide durable assurances that their practices align with these principles. Our responsibility is to ensure public assets are managed in the best financial interest of beneficiaries and taxpayers. We expect detailed evidence that your firm's investment practices, proxy voting and corporate engagement behavior (which should be minimal to begin with), and institutional affiliations align with traditional fiduciary standards, as widely understood as short as ten years ago, and comply with applicable state laws.

We invite your firm to both respond to this letter by September 1, 2025 and engage directly with our offices, as some have begun to do, to provide clarity and demonstrate your commitment to a

fiduciary model grounded in financial integrity, not political advocacy. Our public servants, retirees, and taxpayers deserve nothing less.

Sincerely,


Alabama Auditor Andrew Sorrell


Alaska Commissioner of Revenue Adam Crum


Arizona Treasurer Kimberly Yee


Idaho Treasurer Julie Ellsworth


Indiana Comptroller Elise Nieshalla


Indiana Treasurer Dan Elliott


Iowa Treasurer Roby Smith


Kansas Treasurer Steven Johnson

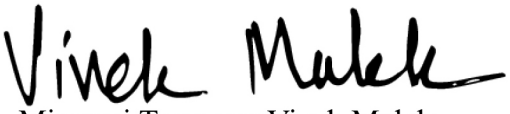

Kentucky Auditor Allison Ball


Kentucky Treasurer Mark Metcalf


Louisiana Treasurer John Fleming


Mississippi Treasurer David McRae

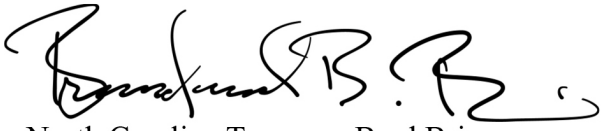
Missouri State Auditor Scott Fitzpatrick



Missouri Treasurer Vivek Malek

Nebraska Auditor Mike Foley

Nebraska Treasurer Tom Briese



North Carolina Treasurer Brad Briner

North Dakota Treasurer Thomas Beadle

Oklahoma Auditor & Inspector Cindy Byrd

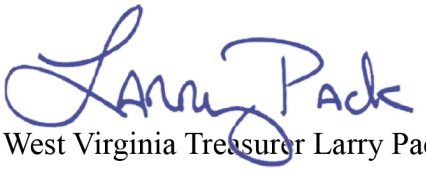
Oklahoma Treasurer Todd Russ

Pennsylvania Treasurer Stacy Garrity

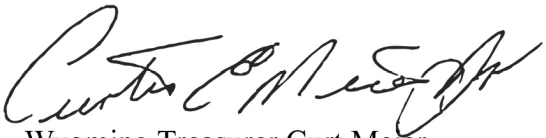
South Carolina Treasurer Curtis Loftis

South Dakota Treasurer Josh Haeder

Utah Treasurer Marlo Oaks



West Virginia Treasurer Larry Pack



Wyoming Treasurer Curt Meier

July 29, 2025

Mr. Jay C. Horgen
Chief Executive Officer
Affiliated Managers Group
777 S Flagler Dr, Suite 1401
West Palm Beach, FL 33401-6157

Dear Mr. Horgen:

As financial officers entrusted with safeguarding our states' public funds, we write to express our deep concern about the erosion of traditional fiduciary duty in American capital markets. Over the past several years, many large financial institutions have used their positions as stewards of trillions in passive investments, such as index and target-date funds, to advance social and political agendas that fall outside the scope of materiality and positive financial return. The January federal court ruling in *Spence v. American Airlines*, which found that American Airlines breached its duty of loyalty under the Employee Retirement Security Act (ERISA) by allowing BlackRock to use proxy voting policies to advance environmental, social, and governance (ESG) goals, underscores the importance of adhering to traditional fiduciary standards. The very occurrence of this case illustrates just how far fiduciary standards have splintered.

While some firms have recently taken encouraging steps, such as withdrawing from global climate coalitions and scaling back ESG rhetoric and proxy votes, and some states have permitted incremental reintegration, more work must be done. The number one issue is a recommitment to the foundational principles of fiduciary duty, loyalty, objectivity, and financial focus.

We therefore request that asset managers seeking to do business with our states take specific steps to reaffirm and operationalize their commitment to traditional fiduciary duty. This includes:

1) Abandoning the practice of framing deterministic future outcomes as long-term risks to justify immediate ideological interventions through corporate engagement or proxy

voting. Climate change is a common example of this issue, where potential risks—often uncertain and already accounted for in insurance and financial markets—are framed as certain and catastrophic to justify forcing companies to take immediate actions that may not align with their long-term business interests. Successful long-term investing relies on diversified portfolios rather than speculative predictions presented as guaranteed outcomes.

2) A commitment not to use passive investment vehicles for activist proxy voting or corporate engagement. Passive investing is designed to provide economic benefits of shareholder ownership, as reflected in price appreciation over time. Using that ownership position to actively influence company behavior beyond material and relatively short-term financial considerations breaches the expectations of millions of Americans who selected these vehicles for broad market exposure and low cost.

3) A commitment to abstain from embedding international political agendas, such as net-zero climate mandates, natural capital frameworks, or the EU's Corporate Sustainability Reporting Directive (CSRD), into default investment strategies and corporate engagement. These approaches often rely on predetermined political outcomes, not fiduciary judgment, and they risk overriding market signals in favor of ideological consensus.
4) Clear and transparent proxy voting guidelines and stewardship practices that reflect a singular focus on shareholder value. Voting decisions and corporate engagement must be aligned with shareholder value, not environmental or social goals imposed by activists.

5) A full disclosure of all affiliations and collaborative initiatives (e.g., Climate Action 100+, GFANZ, PRI) that could influence investment strategy or engagement priorities. Participation in such groups must not compromise a fiduciary's obligation to act solely on behalf of beneficiaries.

Fiduciary duty has long been a critical safeguard that facilitated efficient capital allocation grounded in financial merit rather than political ideology. But that clarity is being diluted under the banner of so-called "long-term risk mitigation," where speculative assumptions about the future, like climate change catastrophe, are used to justify ideological conclusions today. This deterministic approach to investing is not consistent with the fiduciary's role that recognizes uncertain and unknowable future outcomes and, hence, the construction of diversified portfolios.

Financial institutions wishing to compete for our states' business should provide durable assurances that their practices align with these principles. Our responsibility is to ensure public assets are managed in the best financial interest of beneficiaries and taxpayers. We expect detailed evidence that your firm's investment practices, proxy voting and corporate engagement behavior (which should be minimal to begin with), and institutional affiliations align with traditional fiduciary standards, as widely understood as short as ten years ago, and comply with applicable state laws.

We invite your firm to both respond to this letter by September 1, 2025 and engage directly with our offices, as some have begun to do, to provide clarity and demonstrate your commitment to a

fiduciary model grounded in financial integrity, not political advocacy. Our public servants, retirees, and taxpayers deserve nothing less.

Sincerely,


Alabama Auditor Andrew Sorrell


Alaska Commissioner of Revenue Adam Crum


Arizona Treasurer Kimberly Yee


Idaho Treasurer Julie Ellsworth


Indiana Comptroller Elise Nieshalla


Indiana Treasurer Dan Elliott


Iowa Treasurer Roby Smith


Kansas Treasurer Steven Johnson

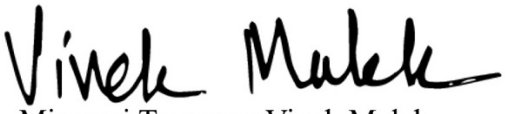

Kentucky Auditor Allison Ball


Kentucky Treasurer Mark Metcalf


Louisiana Treasurer John Fleming


Mississippi Treasurer David McRae


Missouri State Auditor Scott Fitzpatrick


Missouri Treasurer Vivek Malek


Nebraska Auditor Mike Foley


Nebraska Treasurer Tom Briese


North Carolina Treasurer Brad Briner


Oklahoma Auditor & Inspector Cindy Byrd


Oklahoma Treasurer Todd Russ


Pennsylvania Treasurer Stacy Garrity


South Carolina Treasurer Curtis Loftis


South Dakota Treasurer Josh Haeder


Utah Treasurer Marlo Oaks


West Virginia Treasurer Larry Pack


Wyoming Treasurer Curt Meier

July 29, 2025

Mr. Seth Bernstein
Chief Executive Officer
Alliance Bernstein
1345 Ave of the Americas
New York, NY 10105

Dear Mr. Bernstein:

As financial officers entrusted with safeguarding our states' public funds, we write to express our deep concern about the erosion of traditional fiduciary duty in American capital markets. Over the past several years, many large financial institutions have used their positions as stewards of trillions in passive investments, such as index and target-date funds, to advance social and political agendas that fall outside the scope of materiality and positive financial return. The January federal court ruling in *Spence v. American Airlines*, which found that American Airlines breached its duty of loyalty under the Employee Retirement Security Act (ERISA) by allowing BlackRock to use proxy voting policies to advance environmental, social, and governance (ESG) goals, underscores the importance of adhering to traditional fiduciary standards. The very occurrence of this case illustrates just how far fiduciary standards have splintered.

While some firms have recently taken encouraging steps, such as withdrawing from global climate coalitions and scaling back ESG rhetoric and proxy votes, and some states have permitted incremental reintegration, more work must be done. The number one issue is a recommitment to the foundational principles of fiduciary duty, loyalty, objectivity, and financial focus.

We therefore request that asset managers seeking to do business with our states take specific steps to reaffirm and operationalize their commitment to traditional fiduciary duty. This includes:

1) Abandoning the practice of framing deterministic future outcomes as long-term risks to justify immediate ideological interventions through corporate engagement or proxy

voting. Climate change is a common example of this issue, where potential risks—often uncertain and already accounted for in insurance and financial markets—are framed as certain and catastrophic to justify forcing companies to take immediate actions that may not align with their long-term business interests. Successful long-term investing relies on diversified portfolios rather than speculative predictions presented as guaranteed outcomes.

2) A commitment not to use passive investment vehicles for activist proxy voting or corporate engagement. Passive investing is designed to provide economic benefits of shareholder ownership, as reflected in price appreciation over time. Using that ownership position to actively influence company behavior beyond material and relatively short-term financial considerations breaches the expectations of millions of Americans who selected these vehicles for broad market exposure and low cost.

3) A commitment to abstain from embedding international political agendas, such as net-zero climate mandates, natural capital frameworks, or the EU's Corporate Sustainability Reporting Directive (CSRD), into default investment strategies and corporate engagement. These approaches often rely on predetermined political outcomes, not fiduciary judgment, and they risk overriding market signals in favor of ideological consensus.
4) Clear and transparent proxy voting guidelines and stewardship practices that reflect a singular focus on shareholder value. Voting decisions and corporate engagement must be aligned with shareholder value, not environmental or social goals imposed by activists.

5) A full disclosure of all affiliations and collaborative initiatives (e.g., Climate Action 100+, GFANZ, PRI) that could influence investment strategy or engagement priorities. Participation in such groups must not compromise a fiduciary's obligation to act solely on behalf of beneficiaries.

Fiduciary duty has long been a critical safeguard that facilitated efficient capital allocation grounded in financial merit rather than political ideology. But that clarity is being diluted under the banner of so-called "long-term risk mitigation," where speculative assumptions about the future, like climate change catastrophe, are used to justify ideological conclusions today. This deterministic approach to investing is not consistent with the fiduciary's role that recognizes uncertain and unknowable future outcomes and, hence, the construction of diversified portfolios.

Financial institutions wishing to compete for our states' business should provide durable assurances that their practices align with these principles. Our responsibility is to ensure public assets are managed in the best financial interest of beneficiaries and taxpayers. We expect detailed evidence that your firm's investment practices, proxy voting and corporate engagement behavior (which should be minimal to begin with), and institutional affiliations align with traditional fiduciary standards, as widely understood as short as ten years ago, and comply with applicable state laws.

We invite your firm to both respond to this letter by September 1, 2025 and engage directly with our offices, as some have begun to do, to provide clarity and demonstrate your commitment to a

fiduciary model grounded in financial integrity, not political advocacy. Our public servants, retirees, and taxpayers deserve nothing less.

Sincerely,


Alabama Auditor Andrew Sorrell


Alaska Commissioner of Revenue Adam Crum


Arizona Treasurer Kimberly Yee


Idaho Treasurer Julie Ellsworth


Indiana Comptroller Elise Nieshalla


Indiana Treasurer Dan Elliott


Iowa Treasurer Roby Smith


Kansas Treasurer Steven Johnson

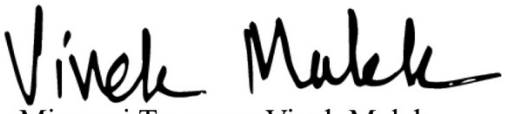

Kentucky Auditor Allison Ball


Kentucky Treasurer Mark Metcalf


Louisiana Treasurer John Fleming


Mississippi Treasurer David McRae


Missouri State Auditor Scott Fitzpatrick


Missouri Treasurer Vivek Malek


Nebraska Auditor Mike Foley


Nebraska Treasurer Tom Briese


North Carolina Treasurer Brad Briner


Oklahoma Auditor & Inspector Cindy Byrd


Oklahoma Treasurer Todd Russ


Pennsylvania Treasurer Stacy Garrity


South Carolina Treasurer Curtis Loftis


South Dakota Treasurer Josh Haeder


Utah Treasurer Marlo Oaks


West Virginia Treasurer Larry Pack


Wyoming Treasurer Curt Meier

July 29, 2025

Mr. Jose Minaya
Global Head
BNY Investments & Wealth
240 Greenwich Street
New York, NY 10286

Dear Mr. Minaya:

As financial officers entrusted with safeguarding our states' public funds, we write to express our deep concern about the erosion of traditional fiduciary duty in American capital markets. Over the past several years, many large financial institutions have used their positions as stewards of trillions in passive investments, such as index and target-date funds, to advance social and political agendas that fall outside the scope of materiality and positive financial return. The January federal court ruling in *Spence v. American Airlines*, which found that American Airlines breached its duty of loyalty under the Employee Retirement Security Act (ERISA) by allowing BlackRock to use proxy voting policies to advance environmental, social, and governance (ESG) goals, underscores the importance of adhering to traditional fiduciary standards. The very occurrence of this case illustrates just how far fiduciary standards have splintered.

While some firms have recently taken encouraging steps, such as withdrawing from global climate coalitions and scaling back ESG rhetoric and proxy votes, and some states have permitted incremental reintegration, more work must be done. The number one issue is a recommitment to the foundational principles of fiduciary duty, loyalty, objectivity, and financial focus.

We therefore request that asset managers seeking to do business with our states take specific steps to reaffirm and operationalize their commitment to traditional fiduciary duty. This includes:

1) Abandoning the practice of framing deterministic future outcomes as long-term risks to justify immediate ideological interventions through corporate engagement or proxy

voting. Climate change is a common example of this issue, where potential risks—often uncertain and already accounted for in insurance and financial markets—are framed as certain and catastrophic to justify forcing companies to take immediate actions that may not align with their long-term business interests. Successful long-term investing relies on diversified portfolios rather than speculative predictions presented as guaranteed outcomes.

2) A commitment not to use passive investment vehicles for activist proxy voting or corporate engagement. Passive investing is designed to provide economic benefits of shareholder ownership, as reflected in price appreciation over time. Using that ownership position to actively influence company behavior beyond material and relatively short-term financial considerations breaches the expectations of millions of Americans who selected these vehicles for broad market exposure and low cost.

3) A commitment to abstain from embedding international political agendas, such as net-zero climate mandates, natural capital frameworks, or the EU's Corporate Sustainability Reporting Directive (CSRD), into default investment strategies and corporate engagement. These approaches often rely on predetermined political outcomes, not fiduciary judgment, and they risk overriding market signals in favor of ideological consensus.
4) Clear and transparent proxy voting guidelines and stewardship practices that reflect a singular focus on shareholder value. Voting decisions and corporate engagement must be aligned with shareholder value, not environmental or social goals imposed by activists.

5) A full disclosure of all affiliations and collaborative initiatives (e.g., Climate Action 100+, GFANZ, PRI) that could influence investment strategy or engagement priorities. Participation in such groups must not compromise a fiduciary's obligation to act solely on behalf of beneficiaries.

Fiduciary duty has long been a critical safeguard that facilitated efficient capital allocation grounded in financial merit rather than political ideology. But that clarity is being diluted under the banner of so-called "long-term risk mitigation," where speculative assumptions about the future, like climate change catastrophe, are used to justify ideological conclusions today. This deterministic approach to investing is not consistent with the fiduciary's role that recognizes uncertain and unknowable future outcomes and, hence, the construction of diversified portfolios.

Financial institutions wishing to compete for our states' business should provide durable assurances that their practices align with these principles. Our responsibility is to ensure public assets are managed in the best financial interest of beneficiaries and taxpayers. We expect detailed evidence that your firm's investment practices, proxy voting and corporate engagement behavior (which should be minimal to begin with), and institutional affiliations align with traditional fiduciary standards, as widely understood as short as ten years ago, and comply with applicable state laws.

We invite your firm to both respond to this letter by September 1, 2025 and engage directly with our offices, as some have begun to do, to provide clarity and demonstrate your commitment to a

fiduciary model grounded in financial integrity, not political advocacy. Our public servants, retirees, and taxpayers deserve nothing less.

Sincerely,


Alabama Auditor Andrew Sorrell


Alaska Commissioner of Revenue Adam Crum


Arizona Treasurer Kimberly Yee


Idaho Treasurer Julie Ellsworth


Indiana Comptroller Elise Nieshalla


Indiana Treasurer Dan Elliott


Iowa Treasurer Roby Smith


Kansas Treasurer Steven Johnson

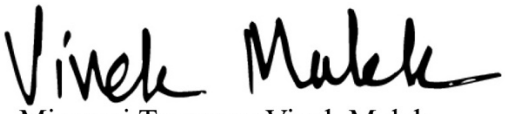

Kentucky Auditor Allison Ball


Kentucky Treasurer Mark Metcalf


Louisiana Treasurer John Fleming


Mississippi Treasurer David McRae


Missouri State Auditor Scott Fitzpatrick


Missouri Treasurer Vivek Malek


Nebraska Auditor Mike Foley


Nebraska Treasurer Tom Briese


North Carolina Treasurer Brad Briner


Oklahoma Auditor & Inspector Cindy Byrd


Oklahoma Treasurer Todd Russ


Pennsylvania Treasurer Stacy Garrity


South Carolina Treasurer Curtis Loftis


South Dakota Treasurer Josh Haeder


Utah Treasurer Marlo Oaks


West Virginia Treasurer Larry Pack


Wyoming Treasurer Curt Meier

July 29, 2025

Ms. Lindsay Hans
President
Bank of America, Merrill Wealth Management
101 North Tryon Street
Charlotte, NC 28255

Dear Ms. Hans:

As financial officers entrusted with safeguarding our states' public funds, we write to express our deep concern about the erosion of traditional fiduciary duty in American capital markets. Over the past several years, many large financial institutions have used their positions as stewards of trillions in passive investments, such as index and target-date funds, to advance social and political agendas that fall outside the scope of materiality and positive financial return. The January federal court ruling in *Spence v. American Airlines*, which found that American Airlines breached its duty of loyalty under the Employee Retirement Security Act (ERISA) by allowing BlackRock to use proxy voting policies to advance environmental, social, and governance (ESG) goals, underscores the importance of adhering to traditional fiduciary standards. The very occurrence of this case illustrates just how far fiduciary standards have splintered.

While some firms have recently taken encouraging steps, such as withdrawing from global climate coalitions and scaling back ESG rhetoric and proxy votes, and some states have permitted incremental reintegration, more work must be done. The number one issue is a recommitment to the foundational principles of fiduciary duty, loyalty, objectivity, and financial focus.

We therefore request that asset managers seeking to do business with our states take specific steps to reaffirm and operationalize their commitment to traditional fiduciary duty. This includes:

1) Abandoning the practice of framing deterministic future outcomes as long-term risks to justify immediate ideological interventions through corporate engagement or proxy

voting. Climate change is a common example of this issue, where potential risks—often uncertain and already accounted for in insurance and financial markets—are framed as certain and catastrophic to justify forcing companies to take immediate actions that may not align with their long-term business interests. Successful long-term investing relies on diversified portfolios rather than speculative predictions presented as guaranteed outcomes.

2) A commitment not to use passive investment vehicles for activist proxy voting or corporate engagement. Passive investing is designed to provide economic benefits of shareholder ownership, as reflected in price appreciation over time. Using that ownership position to actively influence company behavior beyond material and relatively short-term financial considerations breaches the expectations of millions of Americans who selected these vehicles for broad market exposure and low cost.

3) A commitment to abstain from embedding international political agendas, such as net-zero climate mandates, natural capital frameworks, or the EU's Corporate Sustainability Reporting Directive (CSRD), into default investment strategies and corporate engagement. These approaches often rely on predetermined political outcomes, not fiduciary judgment, and they risk overriding market signals in favor of ideological consensus.
4) Clear and transparent proxy voting guidelines and stewardship practices that reflect a singular focus on shareholder value. Voting decisions and corporate engagement must be aligned with shareholder value, not environmental or social goals imposed by activists.

5) A full disclosure of all affiliations and collaborative initiatives (e.g., Climate Action 100+, GFANZ, PRI) that could influence investment strategy or engagement priorities. Participation in such groups must not compromise a fiduciary's obligation to act solely on behalf of beneficiaries.

Fiduciary duty has long been a critical safeguard that facilitated efficient capital allocation grounded in financial merit rather than political ideology. But that clarity is being diluted under the banner of so-called "long-term risk mitigation," where speculative assumptions about the future, like climate change catastrophe, are used to justify ideological conclusions today. This deterministic approach to investing is not consistent with the fiduciary's role that recognizes uncertain and unknowable future outcomes and, hence, the construction of diversified portfolios.

Financial institutions wishing to compete for our states' business should provide durable assurances that their practices align with these principles. Our responsibility is to ensure public assets are managed in the best financial interest of beneficiaries and taxpayers. We expect detailed evidence that your firm's investment practices, proxy voting and corporate engagement behavior (which should be minimal to begin with), and institutional affiliations align with traditional fiduciary standards, as widely understood as short as ten years ago, and comply with applicable state laws.

We invite your firm to both respond to this letter by September 1, 2025 and engage directly with our offices, as some have begun to do, to provide clarity and demonstrate your commitment to a

fiduciary model grounded in financial integrity, not political advocacy. Our public servants, retirees, and taxpayers deserve nothing less.

Sincerely,


Alabama Auditor Andrew Sorrell


Alaska Commissioner of Revenue Adam Crum


Arizona Treasurer Kimberly Yee


Idaho Treasurer Julie Ellsworth


Indiana Comptroller Elise Nieshalla


Indiana Treasurer Dan Elliott


Iowa Treasurer Roby Smith


Kansas Treasurer Steven Johnson

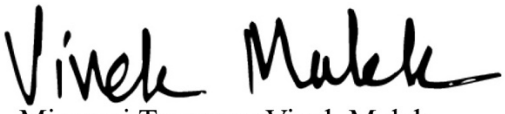

Kentucky Auditor Allison Ball


Kentucky Treasurer Mark Metcalf


Louisiana Treasurer John Fleming


Mississippi Treasurer David McRae


Missouri State Auditor Scott Fitzpatrick


Missouri Treasurer Vivek Malek


Nebraska Auditor Mike Foley


Nebraska Treasurer Tom Briese


North Carolina Treasurer Brad Briner


Oklahoma Auditor & Inspector Cindy Byrd


Oklahoma Treasurer Todd Russ


Pennsylvania Treasurer Stacy Garrity


South Carolina Treasurer Curtis Loftis


South Dakota Treasurer Josh Haeder


Utah Treasurer Marlo Oaks


West Virginia Treasurer Larry Pack


Wyoming Treasurer Curt Meier

July 29, 2025

Mr. Eric A. Schimpf
President
Bank of America, Merrill Wealth Management
100 North Tryon Street
Charlotte, NC 28255

Dear Mr. Schimpf:

As financial officers entrusted with safeguarding our states' public funds, we write to express our deep concern about the erosion of traditional fiduciary duty in American capital markets. Over the past several years, many large financial institutions have used their positions as stewards of trillions in passive investments, such as index and target-date funds, to advance social and political agendas that fall outside the scope of materiality and positive financial return. The January federal court ruling in *Spence v. American Airlines*, which found that American Airlines breached its duty of loyalty under the Employee Retirement Security Act (ERISA) by allowing BlackRock to use proxy voting policies to advance environmental, social, and governance (ESG) goals, underscores the importance of adhering to traditional fiduciary standards. The very occurrence of this case illustrates just how far fiduciary standards have splintered.

While some firms have recently taken encouraging steps, such as withdrawing from global climate coalitions and scaling back ESG rhetoric and proxy votes, and some states have permitted incremental reintegration, more work must be done. The number one issue is a recommitment to the foundational principles of fiduciary duty, loyalty, objectivity, and financial focus.

We therefore request that asset managers seeking to do business with our states take specific steps to reaffirm and operationalize their commitment to traditional fiduciary duty. This includes:

1) Abandoning the practice of framing deterministic future outcomes as long-term risks to justify immediate ideological interventions through corporate engagement or proxy

voting. Climate change is a common example of this issue, where potential risks—often uncertain and already accounted for in insurance and financial markets—are framed as certain and catastrophic to justify forcing companies to take immediate actions that may not align with their long-term business interests. Successful long-term investing relies on diversified portfolios rather than speculative predictions presented as guaranteed outcomes.

2) A commitment not to use passive investment vehicles for activist proxy voting or corporate engagement. Passive investing is designed to provide economic benefits of shareholder ownership, as reflected in price appreciation over time. Using that ownership position to actively influence company behavior beyond material and relatively short-term financial considerations breaches the expectations of millions of Americans who selected these vehicles for broad market exposure and low cost.

3) A commitment to abstain from embedding international political agendas, such as net-zero climate mandates, natural capital frameworks, or the EU's Corporate Sustainability Reporting Directive (CSRD), into default investment strategies and corporate engagement. These approaches often rely on predetermined political outcomes, not fiduciary judgment, and they risk overriding market signals in favor of ideological consensus.
4) Clear and transparent proxy voting guidelines and stewardship practices that reflect a singular focus on shareholder value. Voting decisions and corporate engagement must be aligned with shareholder value, not environmental or social goals imposed by activists.

5) A full disclosure of all affiliations and collaborative initiatives (e.g., Climate Action 100+, GFANZ, PRI) that could influence investment strategy or engagement priorities. Participation in such groups must not compromise a fiduciary's obligation to act solely on behalf of beneficiaries.

Fiduciary duty has long been a critical safeguard that facilitated efficient capital allocation grounded in financial merit rather than political ideology. But that clarity is being diluted under the banner of so-called "long-term risk mitigation," where speculative assumptions about the future, like climate change catastrophe, are used to justify ideological conclusions today. This deterministic approach to investing is not consistent with the fiduciary's role that recognizes uncertain and unknowable future outcomes and, hence, the construction of diversified portfolios.

Financial institutions wishing to compete for our states' business should provide durable assurances that their practices align with these principles. Our responsibility is to ensure public assets are managed in the best financial interest of beneficiaries and taxpayers. We expect detailed evidence that your firm's investment practices, proxy voting and corporate engagement behavior (which should be minimal to begin with), and institutional affiliations align with traditional fiduciary standards, as widely understood as short as ten years ago, and comply with applicable state laws.

We invite your firm to both respond to this letter by September 1, 2025 and engage directly with our offices, as some have begun to do, to provide clarity and demonstrate your commitment to a

fiduciary model grounded in financial integrity, not political advocacy. Our public servants, retirees, and taxpayers deserve nothing less.

Sincerely,


Alabama Auditor Andrew Sorrell


Alaska Commissioner of Revenue Adam Crum


Arizona Treasurer Kimberly Yee


Idaho Treasurer Julie Ellsworth


Indiana Comptroller Elise Nieshalla


Indiana Treasurer Dan Elliott


Iowa Treasurer Roby Smith


Kansas Treasurer Steven Johnson

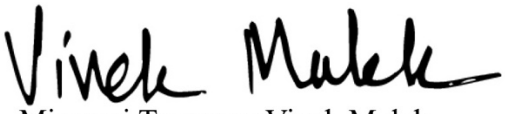

Kentucky Auditor Allison Ball


Kentucky Treasurer Mark Metcalf


Louisiana Treasurer John Fleming


Mississippi Treasurer David McRae


Missouri State Auditor Scott Fitzpatrick


Missouri Treasurer Vivek Malek


Nebraska Auditor Mike Foley


Nebraska Treasurer Tom Briese


North Carolina Treasurer Brad Briner


Oklahoma Auditor & Inspector Cindy Byrd


Oklahoma Treasurer Todd Russ


Pennsylvania Treasurer Stacy Garrity


South Carolina Treasurer Curtis Loftis


South Dakota Treasurer Josh Haeder


Utah Treasurer Marlo Oaks


West Virginia Treasurer Larry Pack


Wyoming Treasurer Curt Meier

July 29, 2025

Mr. Michael C. Gitlin
President and Chief Executive Officer
Capital Group
11100 Santa Monica Boulevard, 18th Floor
Los Angeles, CA 90025

Dear Mr. Gitlin:

As financial officers entrusted with safeguarding our states' public funds, we write to express our deep concern about the erosion of traditional fiduciary duty in American capital markets. Over the past several years, many large financial institutions have used their positions as stewards of trillions in passive investments, such as index and target-date funds, to advance social and political agendas that fall outside the scope of materiality and positive financial return. The January federal court ruling in *Spence v. American Airlines*, which found that American Airlines breached its duty of loyalty under the Employee Retirement Security Act (ERISA) by allowing BlackRock to use proxy voting policies to advance environmental, social, and governance (ESG) goals, underscores the importance of adhering to traditional fiduciary standards. The very occurrence of this case illustrates just how far fiduciary standards have splintered.

While some firms have recently taken encouraging steps, such as withdrawing from global climate coalitions and scaling back ESG rhetoric and proxy votes, and some states have permitted incremental reintegration, more work must be done. The number one issue is a recommitment to the foundational principles of fiduciary duty, loyalty, objectivity, and financial focus.

We therefore request that asset managers seeking to do business with our states take specific steps to reaffirm and operationalize their commitment to traditional fiduciary duty. This includes:

1) Abandoning the practice of framing deterministic future outcomes as long-term risks to justify immediate ideological interventions through corporate engagement or proxy

voting. Climate change is a common example of this issue, where potential risks—often uncertain and already accounted for in insurance and financial markets—are framed as certain and catastrophic to justify forcing companies to take immediate actions that may not align with their long-term business interests. Successful long-term investing relies on diversified portfolios rather than speculative predictions presented as guaranteed outcomes.

2) A commitment not to use passive investment vehicles for activist proxy voting or corporate engagement. Passive investing is designed to provide economic benefits of shareholder ownership, as reflected in price appreciation over time. Using that ownership position to actively influence company behavior beyond material and relatively short-term financial considerations breaches the expectations of millions of Americans who selected these vehicles for broad market exposure and low cost.

3) A commitment to abstain from embedding international political agendas, such as net-zero climate mandates, natural capital frameworks, or the EU's Corporate Sustainability Reporting Directive (CSRD), into default investment strategies and corporate engagement. These approaches often rely on predetermined political outcomes, not fiduciary judgment, and they risk overriding market signals in favor of ideological consensus.
4) Clear and transparent proxy voting guidelines and stewardship practices that reflect a singular focus on shareholder value. Voting decisions and corporate engagement must be aligned with shareholder value, not environmental or social goals imposed by activists.

5) A full disclosure of all affiliations and collaborative initiatives (e.g., Climate Action 100+, GFANZ, PRI) that could influence investment strategy or engagement priorities. Participation in such groups must not compromise a fiduciary's obligation to act solely on behalf of beneficiaries.

Fiduciary duty has long been a critical safeguard that facilitated efficient capital allocation grounded in financial merit rather than political ideology. But that clarity is being diluted under the banner of so-called "long-term risk mitigation," where speculative assumptions about the future, like climate change catastrophe, are used to justify ideological conclusions today. This deterministic approach to investing is not consistent with the fiduciary's role that recognizes uncertain and unknowable future outcomes and, hence, the construction of diversified portfolios.

Financial institutions wishing to compete for our states' business should provide durable assurances that their practices align with these principles. Our responsibility is to ensure public assets are managed in the best financial interest of beneficiaries and taxpayers. We expect detailed evidence that your firm's investment practices, proxy voting and corporate engagement behavior (which should be minimal to begin with), and institutional affiliations align with traditional fiduciary standards, as widely understood as short as ten years ago, and comply with applicable state laws.

We invite your firm to both respond to this letter by September 1, 2025 and engage directly with our offices, as some have begun to do, to provide clarity and demonstrate your commitment to a

fiduciary model grounded in financial integrity, not political advocacy. Our public servants, retirees, and taxpayers deserve nothing less.

Sincerely,


Alabama Auditor Andrew Sorrell


Alaska Commissioner of Revenue Adam Crum


Arizona Treasurer Kimberly Yee


Idaho Treasurer Julie Ellsworth


Indiana Comptroller Elise Nieshalla


Indiana Treasurer Dan Elliott


Iowa Treasurer Roby Smith


Kansas Treasurer Steven Johnson

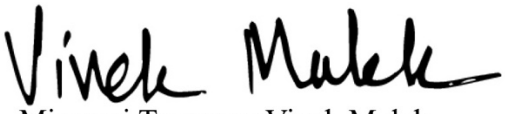

Kentucky Auditor Allison Ball


Kentucky Treasurer Mark Metcalf


Louisiana Treasurer John Fleming


Mississippi Treasurer David McRae


Missouri State Auditor Scott Fitzpatrick


Missouri Treasurer Vivek Malek


Nebraska Auditor Mike Foley


Nebraska Treasurer Tom Briese


North Carolina Treasurer Brad Briner


Oklahoma Auditor & Inspector Cindy Byrd


Oklahoma Treasurer Todd Russ


Pennsylvania Treasurer Stacy Garrity


South Carolina Treasurer Curtis Loftis


South Dakota Treasurer Josh Haeder


Utah Treasurer Marlo Oaks


West Virginia Treasurer Larry Pack


Wyoming Treasurer Curt Meier

July 29, 2025

Mr. Dave Butler
Chief Executive Officer
Dimensional Fund Advisors
Dimensional Place, 6300 Bee Cave Road, Building One
Austin, TX 78746

Dear Mr. Butler:

As financial officers entrusted with safeguarding our states' public funds, we write to express our deep concern about the erosion of traditional fiduciary duty in American capital markets. Over the past several years, many large financial institutions have used their positions as stewards of trillions in passive investments, such as index and target-date funds, to advance social and political agendas that fall outside the scope of materiality and positive financial return. The January federal court ruling in *Spence v. American Airlines*, which found that American Airlines breached its duty of loyalty under the Employee Retirement Security Act (ERISA) by allowing BlackRock to use proxy voting policies to advance environmental, social, and governance (ESG) goals, underscores the importance of adhering to traditional fiduciary standards. The very occurrence of this case illustrates just how far fiduciary standards have splintered.

While some firms have recently taken encouraging steps, such as withdrawing from global climate coalitions and scaling back ESG rhetoric and proxy votes, and some states have permitted incremental reintegration, more work must be done. The number one issue is a recommitment to the foundational principles of fiduciary duty, loyalty, objectivity, and financial focus.

We therefore request that asset managers seeking to do business with our states take specific steps to reaffirm and operationalize their commitment to traditional fiduciary duty. This includes:

1) Abandoning the practice of framing deterministic future outcomes as long-term risks to justify immediate ideological interventions through corporate engagement or proxy

voting. Climate change is a common example of this issue, where potential risks—often uncertain and already accounted for in insurance and financial markets—are framed as certain and catastrophic to justify forcing companies to take immediate actions that may not align with their long-term business interests. Successful long-term investing relies on diversified portfolios rather than speculative predictions presented as guaranteed outcomes.

2) A commitment not to use passive investment vehicles for activist proxy voting or corporate engagement. Passive investing is designed to provide economic benefits of shareholder ownership, as reflected in price appreciation over time. Using that ownership position to actively influence company behavior beyond material and relatively short-term financial considerations breaches the expectations of millions of Americans who selected these vehicles for broad market exposure and low cost.

3) A commitment to abstain from embedding international political agendas, such as net-zero climate mandates, natural capital frameworks, or the EU's Corporate Sustainability Reporting Directive (CSRD), into default investment strategies and corporate engagement. These approaches often rely on predetermined political outcomes, not fiduciary judgment, and they risk overriding market signals in favor of ideological consensus.
4) Clear and transparent proxy voting guidelines and stewardship practices that reflect a singular focus on shareholder value. Voting decisions and corporate engagement must be aligned with shareholder value, not environmental or social goals imposed by activists.

5) A full disclosure of all affiliations and collaborative initiatives (e.g., Climate Action 100+, GFANZ, PRI) that could influence investment strategy or engagement priorities. Participation in such groups must not compromise a fiduciary's obligation to act solely on behalf of beneficiaries.

Fiduciary duty has long been a critical safeguard that facilitated efficient capital allocation grounded in financial merit rather than political ideology. But that clarity is being diluted under the banner of so-called "long-term risk mitigation," where speculative assumptions about the future, like climate change catastrophe, are used to justify ideological conclusions today. This deterministic approach to investing is not consistent with the fiduciary's role that recognizes uncertain and unknowable future outcomes and, hence, the construction of diversified portfolios.

Financial institutions wishing to compete for our states' business should provide durable assurances that their practices align with these principles. Our responsibility is to ensure public assets are managed in the best financial interest of beneficiaries and taxpayers. We expect detailed evidence that your firm's investment practices, proxy voting and corporate engagement behavior (which should be minimal to begin with), and institutional affiliations align with traditional fiduciary standards, as widely understood as short as ten years ago, and comply with applicable state laws.

We invite your firm to both respond to this letter by September 1, 2025 and engage directly with our offices, as some have begun to do, to provide clarity and demonstrate your commitment to a

fiduciary model grounded in financial integrity, not political advocacy. Our public servants, retirees, and taxpayers deserve nothing less.

Sincerely,


Alabama Auditor Andrew Sorrell


Alaska Commissioner of Revenue Adam Crum


Arizona Treasurer Kimberly Yee


Idaho Treasurer Julie Ellsworth


Indiana Comptroller Elise Nieshalla


Indiana Treasurer Dan Elliott


Iowa Treasurer Roby Smith


Kansas Treasurer Steven Johnson

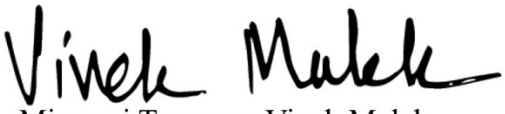

Kentucky Auditor Allison Ball


Kentucky Treasurer Mark Metcalf


Louisiana Treasurer John Fleming


Mississippi Treasurer David McRae


Missouri State Auditor Scott Fitzpatrick


Missouri Treasurer Vivek Malek


Nebraska Auditor Mike Foley


Nebraska Treasurer Tom Briese


North Carolina Treasurer Brad Briner


Oklahoma Auditor & Inspector Cindy Byrd


Oklahoma Treasurer Todd Russ


Pennsylvania Treasurer Stacy Garrity


South Carolina Treasurer Curtis Loftis


South Dakota Treasurer Josh Haeder


Utah Treasurer Marlo Oaks


West Virginia Treasurer Larry Pack


Wyoming Treasurer Curt Meier

July 29, 2025

Mr. Gerard O'Reilly
Chief Executive Officer
Dimensional Fund Advisors
Dimensional Place, 6300 Bee Cave Road, Building One
Austin, TX 78746

Dear Mr. O'Reilly:

As financial officers entrusted with safeguarding our states' public funds, we write to express our deep concern about the erosion of traditional fiduciary duty in American capital markets. Over the past several years, many large financial institutions have used their positions as stewards of trillions in passive investments, such as index and target-date funds, to advance social and political agendas that fall outside the scope of materiality and positive financial return. The January federal court ruling in *Spence v. American Airlines*, which found that American Airlines breached its duty of loyalty under the Employee Retirement Security Act (ERISA) by allowing BlackRock to use proxy voting policies to advance environmental, social, and governance (ESG) goals, underscores the importance of adhering to traditional fiduciary standards. The very occurrence of this case illustrates just how far fiduciary standards have splintered.

While some firms have recently taken encouraging steps, such as withdrawing from global climate coalitions and scaling back ESG rhetoric and proxy votes, and some states have permitted incremental reintegration, more work must be done. The number one issue is a recommitment to the foundational principles of fiduciary duty, loyalty, objectivity, and financial focus.

We therefore request that asset managers seeking to do business with our states take specific steps to reaffirm and operationalize their commitment to traditional fiduciary duty. This includes:

1) Abandoning the practice of framing deterministic future outcomes as long-term risks to justify immediate ideological interventions through corporate engagement or proxy

voting. Climate change is a common example of this issue, where potential risks—often uncertain and already accounted for in insurance and financial markets—are framed as certain and catastrophic to justify forcing companies to take immediate actions that may not align with their long-term business interests. Successful long-term investing relies on diversified portfolios rather than speculative predictions presented as guaranteed outcomes.

2) A commitment not to use passive investment vehicles for activist proxy voting or corporate engagement. Passive investing is designed to provide economic benefits of shareholder ownership, as reflected in price appreciation over time. Using that ownership position to actively influence company behavior beyond material and relatively short-term financial considerations breaches the expectations of millions of Americans who selected these vehicles for broad market exposure and low cost.

3) A commitment to abstain from embedding international political agendas, such as net-zero climate mandates, natural capital frameworks, or the EU's Corporate Sustainability Reporting Directive (CSRD), into default investment strategies and corporate engagement. These approaches often rely on predetermined political outcomes, not fiduciary judgment, and they risk overriding market signals in favor of ideological consensus.
4) Clear and transparent proxy voting guidelines and stewardship practices that reflect a singular focus on shareholder value. Voting decisions and corporate engagement must be aligned with shareholder value, not environmental or social goals imposed by activists.

5) A full disclosure of all affiliations and collaborative initiatives (e.g., Climate Action 100+, GFANZ, PRI) that could influence investment strategy or engagement priorities. Participation in such groups must not compromise a fiduciary's obligation to act solely on behalf of beneficiaries.

Fiduciary duty has long been a critical safeguard that facilitated efficient capital allocation grounded in financial merit rather than political ideology. But that clarity is being diluted under the banner of so-called "long-term risk mitigation," where speculative assumptions about the future, like climate change catastrophe, are used to justify ideological conclusions today. This deterministic approach to investing is not consistent with the fiduciary's role that recognizes uncertain and unknowable future outcomes and, hence, the construction of diversified portfolios.

Financial institutions wishing to compete for our states' business should provide durable assurances that their practices align with these principles. Our responsibility is to ensure public assets are managed in the best financial interest of beneficiaries and taxpayers. We expect detailed evidence that your firm's investment practices, proxy voting and corporate engagement behavior (which should be minimal to begin with), and institutional affiliations align with traditional fiduciary standards, as widely understood as short as ten years ago, and comply with applicable state laws.

We invite your firm to both respond to this letter by September 1, 2025 and engage directly with our offices, as some have begun to do, to provide clarity and demonstrate your commitment to a

fiduciary model grounded in financial integrity, not political advocacy. Our public servants, retirees, and taxpayers deserve nothing less.

Sincerely,


Alabama Auditor Andrew Sorrell


Alaska Commissioner of Revenue Adam Crum


Arizona Treasurer Kimberly Yee


Idaho Treasurer Julie Ellsworth


Indiana Comptroller Elise Nieshalla


Indiana Treasurer Dan Elliott


Iowa Treasurer Roby Smith


Kansas Treasurer Steven Johnson

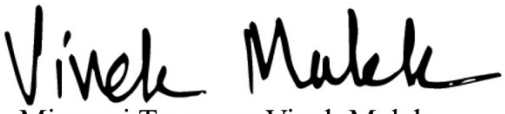

Kentucky Auditor Allison Ball


Kentucky Treasurer Mark Metcalf


Louisiana Treasurer John Fleming


Mississippi Treasurer David McRae


Missouri State Auditor Scott Fitzpatrick


Missouri Treasurer Vivek Malek


Nebraska Auditor Mike Foley


Nebraska Treasurer Tom Briese


North Carolina Treasurer Brad Briner


Oklahoma Auditor & Inspector Cindy Byrd


Oklahoma Treasurer Todd Russ


Pennsylvania Treasurer Stacy Garrity


South Carolina Treasurer Curtis Loftis


South Dakota Treasurer Josh Haeder


Utah Treasurer Marlo Oaks


West Virginia Treasurer Larry Pack


Wyoming Treasurer Curt Meier

July 29, 2025

Ms. Abigail Johnson
President and Chief Executive Officer
Fidelity Investments
245 Summer St.
Boston, MA 2201

Dear Ms. Johnson:

As financial officers entrusted with safeguarding our states' public funds, we write to express our deep concern about the erosion of traditional fiduciary duty in American capital markets. Over the past several years, many large financial institutions have used their positions as stewards of trillions in passive investments, such as index and target-date funds, to advance social and political agendas that fall outside the scope of materiality and positive financial return. The January federal court ruling in *Spence v. American Airlines*, which found that American Airlines breached its duty of loyalty under the Employee Retirement Security Act (ERISA) by allowing BlackRock to use proxy voting policies to advance environmental, social, and governance (ESG) goals, underscores the importance of adhering to traditional fiduciary standards. The very occurrence of this case illustrates just how far fiduciary standards have splintered.

While some firms have recently taken encouraging steps, such as withdrawing from global climate coalitions and scaling back ESG rhetoric and proxy votes, and some states have permitted incremental reintegration, more work must be done. The number one issue is a recommitment to the foundational principles of fiduciary duty, loyalty, objectivity, and financial focus.

We therefore request that asset managers seeking to do business with our states take specific steps to reaffirm and operationalize their commitment to traditional fiduciary duty. This includes:

1) Abandoning the practice of framing deterministic future outcomes as long-term risks to justify immediate ideological interventions through corporate engagement or proxy

voting. Climate change is a common example of this issue, where potential risks—often uncertain and already accounted for in insurance and financial markets—are framed as certain and catastrophic to justify forcing companies to take immediate actions that may not align with their long-term business interests. Successful long-term investing relies on diversified portfolios rather than speculative predictions presented as guaranteed outcomes.

2) A commitment not to use passive investment vehicles for activist proxy voting or corporate engagement. Passive investing is designed to provide economic benefits of shareholder ownership, as reflected in price appreciation over time. Using that ownership position to actively influence company behavior beyond material and relatively short-term financial considerations breaches the expectations of millions of Americans who selected these vehicles for broad market exposure and low cost.

3) A commitment to abstain from embedding international political agendas, such as net-zero climate mandates, natural capital frameworks, or the EU's Corporate Sustainability Reporting Directive (CSRD), into default investment strategies and corporate engagement. These approaches often rely on predetermined political outcomes, not fiduciary judgment, and they risk overriding market signals in favor of ideological consensus.
4) Clear and transparent proxy voting guidelines and stewardship practices that reflect a singular focus on shareholder value. Voting decisions and corporate engagement must be aligned with shareholder value, not environmental or social goals imposed by activists.

5) A full disclosure of all affiliations and collaborative initiatives (e.g., Climate Action 100+, GFANZ, PRI) that could influence investment strategy or engagement priorities. Participation in such groups must not compromise a fiduciary's obligation to act solely on behalf of beneficiaries.

Fiduciary duty has long been a critical safeguard that facilitated efficient capital allocation grounded in financial merit rather than political ideology. But that clarity is being diluted under the banner of so-called "long-term risk mitigation," where speculative assumptions about the future, like climate change catastrophe, are used to justify ideological conclusions today. This deterministic approach to investing is not consistent with the fiduciary's role that recognizes uncertain and unknowable future outcomes and, hence, the construction of diversified portfolios.

Financial institutions wishing to compete for our states' business should provide durable assurances that their practices align with these principles. Our responsibility is to ensure public assets are managed in the best financial interest of beneficiaries and taxpayers. We expect detailed evidence that your firm's investment practices, proxy voting and corporate engagement behavior (which should be minimal to begin with), and institutional affiliations align with traditional fiduciary standards, as widely understood as short as ten years ago, and comply with applicable state laws.

We invite your firm to both respond to this letter by September 1, 2025 and engage directly with our offices, as some have begun to do, to provide clarity and demonstrate your commitment to a

fiduciary model grounded in financial integrity, not political advocacy. Our public servants, retirees, and taxpayers deserve nothing less.

Sincerely,


Alabama Auditor Andrew Sorrell


Alaska Commissioner of Revenue Adam Crum


Arizona Treasurer Kimberly Yee


Idaho Treasurer Julie Ellsworth


Indiana Comptroller Elise Nieshalla


Indiana Treasurer Dan Elliott


Iowa Treasurer Roby Smith


Kansas Treasurer Steven Johnson

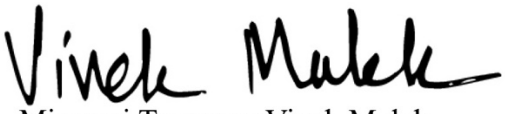

Kentucky Auditor Allison Ball


Kentucky Treasurer Mark Metcalf


Louisiana Treasurer John Fleming


Mississippi Treasurer David McRae


Missouri State Auditor Scott Fitzpatrick


Missouri Treasurer Vivek Malek


Nebraska Auditor Mike Foley


Nebraska Treasurer Tom Briese


North Carolina Treasurer Brad Briner


Oklahoma Auditor & Inspector Cindy Byrd


Oklahoma Treasurer Todd Russ


Pennsylvania Treasurer Stacy Garrity


South Carolina Treasurer Curtis Loftis


South Dakota Treasurer Josh Haeder


Utah Treasurer Marlo Oaks


West Virginia Treasurer Larry Pack


Wyoming Treasurer Curt Meier

July 29, 2025

Ms. Jennifer Johnson
Chief Executive Officer
Franklin Templeton
1 Franklin Pkway
San Mateo, CA 94403

Dear Ms. Johnson:

As financial officers entrusted with safeguarding our states' public funds, we write to express our deep concern about the erosion of traditional fiduciary duty in American capital markets. Over the past several years, many large financial institutions have used their positions as stewards of trillions in passive investments, such as index and target-date funds, to advance social and political agendas that fall outside the scope of materiality and positive financial return. The January federal court ruling in *Spence v. American Airlines*, which found that American Airlines breached its duty of loyalty under the Employee Retirement Security Act (ERISA) by allowing BlackRock to use proxy voting policies to advance environmental, social, and governance (ESG) goals, underscores the importance of adhering to traditional fiduciary standards. The very occurrence of this case illustrates just how far fiduciary standards have splintered.

While some firms have recently taken encouraging steps, such as withdrawing from global climate coalitions and scaling back ESG rhetoric and proxy votes, and some states have permitted incremental reintegration, more work must be done. The number one issue is a recommitment to the foundational principles of fiduciary duty, loyalty, objectivity, and financial focus.

We therefore request that asset managers seeking to do business with our states take specific steps to reaffirm and operationalize their commitment to traditional fiduciary duty. This includes:

1) Abandoning the practice of framing deterministic future outcomes as long-term risks to justify immediate ideological interventions through corporate engagement or proxy

voting. Climate change is a common example of this issue, where potential risks—often uncertain and already accounted for in insurance and financial markets—are framed as certain and catastrophic to justify forcing companies to take immediate actions that may not align with their long-term business interests. Successful long-term investing relies on diversified portfolios rather than speculative predictions presented as guaranteed outcomes.

2) A commitment not to use passive investment vehicles for activist proxy voting or corporate engagement. Passive investing is designed to provide economic benefits of shareholder ownership, as reflected in price appreciation over time. Using that ownership position to actively influence company behavior beyond material and relatively short-term financial considerations breaches the expectations of millions of Americans who selected these vehicles for broad market exposure and low cost.

3) A commitment to abstain from embedding international political agendas, such as net-zero climate mandates, natural capital frameworks, or the EU's Corporate Sustainability Reporting Directive (CSRD), into default investment strategies and corporate engagement. These approaches often rely on predetermined political outcomes, not fiduciary judgment, and they risk overriding market signals in favor of ideological consensus.
4) Clear and transparent proxy voting guidelines and stewardship practices that reflect a singular focus on shareholder value. Voting decisions and corporate engagement must be aligned with shareholder value, not environmental or social goals imposed by activists.

5) A full disclosure of all affiliations and collaborative initiatives (e.g., Climate Action 100+, GFANZ, PRI) that could influence investment strategy or engagement priorities. Participation in such groups must not compromise a fiduciary's obligation to act solely on behalf of beneficiaries.

Fiduciary duty has long been a critical safeguard that facilitated efficient capital allocation grounded in financial merit rather than political ideology. But that clarity is being diluted under the banner of so-called "long-term risk mitigation," where speculative assumptions about the future, like climate change catastrophe, are used to justify ideological conclusions today. This deterministic approach to investing is not consistent with the fiduciary's role that recognizes uncertain and unknowable future outcomes and, hence, the construction of diversified portfolios.

Financial institutions wishing to compete for our states' business should provide durable assurances that their practices align with these principles. Our responsibility is to ensure public assets are managed in the best financial interest of beneficiaries and taxpayers. We expect detailed evidence that your firm's investment practices, proxy voting and corporate engagement behavior (which should be minimal to begin with), and institutional affiliations align with traditional fiduciary standards, as widely understood as short as ten years ago, and comply with applicable state laws.

We invite your firm to both respond to this letter by September 1, 2025 and engage directly with our offices, as some have begun to do, to provide clarity and demonstrate your commitment to a

fiduciary model grounded in financial integrity, not political advocacy. Our public servants, retirees, and taxpayers deserve nothing less.

Sincerely,


Alabama Auditor Andrew Sorrell


Alaska Commissioner of Revenue Adam Crum


Arizona Treasurer Kimberly Yee


Idaho Treasurer Julie Ellsworth


Indiana Comptroller Elise Nieshalla


Indiana Treasurer Dan Elliott


Iowa Treasurer Roby Smith


Kansas Treasurer Steven Johnson

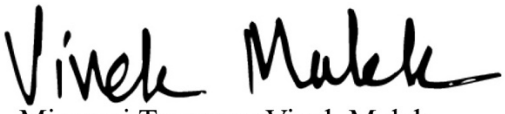

Kentucky Auditor Allison Ball


Kentucky Treasurer Mark Metcalf


Louisiana Treasurer John Fleming


Mississippi Treasurer David McRae


Missouri State Auditor Scott Fitzpatrick


Missouri Treasurer Vivek Malek


Nebraska Auditor Mike Foley


Nebraska Treasurer Tom Briese


North Carolina Treasurer Brad Briner


Oklahoma Auditor & Inspector Cindy Byrd


Oklahoma Treasurer Todd Russ


Pennsylvania Treasurer Stacy Garrity


South Carolina Treasurer Curtis Loftis


South Dakota Treasurer Josh Haeder


Utah Treasurer Marlo Oaks


West Virginia Treasurer Larry Pack


Wyoming Treasurer Curt Meier

July 29, 2025

Mr. David Lane
Chief Executive Officer
Geode Capital Management
100 Summer St 12th Floor
Boston, MA 02110

Dear Mr. Lane:

As financial officers entrusted with safeguarding our states' public funds, we write to express our deep concern about the erosion of traditional fiduciary duty in American capital markets. Over the past several years, many large financial institutions have used their positions as stewards of trillions in passive investments, such as index and target-date funds, to advance social and political agendas that fall outside the scope of materiality and positive financial return. The January federal court ruling in *Spence v. American Airlines*, which found that American Airlines breached its duty of loyalty under the Employee Retirement Security Act (ERISA) by allowing BlackRock to use proxy voting policies to advance environmental, social, and governance (ESG) goals, underscores the importance of adhering to traditional fiduciary standards. The very occurrence of this case illustrates just how far fiduciary standards have splintered.

While some firms have recently taken encouraging steps, such as withdrawing from global climate coalitions and scaling back ESG rhetoric and proxy votes, and some states have permitted incremental reintegration, more work must be done. The number one issue is a recommitment to the foundational principles of fiduciary duty, loyalty, objectivity, and financial focus.

We therefore request that asset managers seeking to do business with our states take specific steps to reaffirm and operationalize their commitment to traditional fiduciary duty. This includes:

1) Abandoning the practice of framing deterministic future outcomes as long-term risks to justify immediate ideological interventions through corporate engagement or proxy

voting. Climate change is a common example of this issue, where potential risks—often uncertain and already accounted for in insurance and financial markets—are framed as certain and catastrophic to justify forcing companies to take immediate actions that may not align with their long-term business interests. Successful long-term investing relies on diversified portfolios rather than speculative predictions presented as guaranteed outcomes.

2) A commitment not to use passive investment vehicles for activist proxy voting or corporate engagement. Passive investing is designed to provide economic benefits of shareholder ownership, as reflected in price appreciation over time. Using that ownership position to actively influence company behavior beyond material and relatively short-term financial considerations breaches the expectations of millions of Americans who selected these vehicles for broad market exposure and low cost.

3) A commitment to abstain from embedding international political agendas, such as net-zero climate mandates, natural capital frameworks, or the EU's Corporate Sustainability Reporting Directive (CSRD), into default investment strategies and corporate engagement. These approaches often rely on predetermined political outcomes, not fiduciary judgment, and they risk overriding market signals in favor of ideological consensus.
4) Clear and transparent proxy voting guidelines and stewardship practices that reflect a singular focus on shareholder value. Voting decisions and corporate engagement must be aligned with shareholder value, not environmental or social goals imposed by activists.

5) A full disclosure of all affiliations and collaborative initiatives (e.g., Climate Action 100+, GFANZ, PRI) that could influence investment strategy or engagement priorities. Participation in such groups must not compromise a fiduciary's obligation to act solely on behalf of beneficiaries.

Fiduciary duty has long been a critical safeguard that facilitated efficient capital allocation grounded in financial merit rather than political ideology. But that clarity is being diluted under the banner of so-called "long-term risk mitigation," where speculative assumptions about the future, like climate change catastrophe, are used to justify ideological conclusions today. This deterministic approach to investing is not consistent with the fiduciary's role that recognizes uncertain and unknowable future outcomes and, hence, the construction of diversified portfolios.

Financial institutions wishing to compete for our states' business should provide durable assurances that their practices align with these principles. Our responsibility is to ensure public assets are managed in the best financial interest of beneficiaries and taxpayers. We expect detailed evidence that your firm's investment practices, proxy voting and corporate engagement behavior (which should be minimal to begin with), and institutional affiliations align with traditional fiduciary standards, as widely understood as short as ten years ago, and comply with applicable state laws.

We invite your firm to both respond to this letter by September 1, 2025 and engage directly with our offices, as some have begun to do, to provide clarity and demonstrate your commitment to a

fiduciary model grounded in financial integrity, not political advocacy. Our public servants, retirees, and taxpayers deserve nothing less.

Sincerely,


Alabama Auditor Andrew Sorrell


Alaska Commissioner of Revenue Adam Crum


Arizona Treasurer Kimberly Yee


Idaho Treasurer Julie Ellsworth


Indiana Comptroller Elise Nieshalla


Indiana Treasurer Dan Elliott


Iowa Treasurer Roby Smith


Kansas Treasurer Steven Johnson

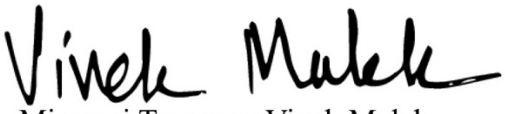

Kentucky Auditor Allison Ball


Kentucky Treasurer Mark Metcalf


Louisiana Treasurer John Fleming


Mississippi Treasurer David McRae


Missouri State Auditor Scott Fitzpatrick


Missouri Treasurer Vivek Malek


Nebraska Auditor Mike Foley


Nebraska Treasurer Tom Briese


North Carolina Treasurer Brad Briner


Oklahoma Auditor & Inspector Cindy Byrd


Oklahoma Treasurer Todd Russ


Pennsylvania Treasurer Stacy Garrity


South Carolina Treasurer Curtis Loftis


South Dakota Treasurer Josh Haeder


Utah Treasurer Marlo Oaks


West Virginia Treasurer Larry Pack


Wyoming Treasurer Curt Meier

July 29, 2025

Mr. Marc Nachmann
Global Head
Goldman Sachs Asset & Wealth Management
200 West Street
New York, NY 10282

Dear Mr. Nachmann:

As financial officers entrusted with safeguarding our states' public funds, we write to express our deep concern about the erosion of traditional fiduciary duty in American capital markets. Over the past several years, many large financial institutions have used their positions as stewards of trillions in passive investments, such as index and target-date funds, to advance social and political agendas that fall outside the scope of materiality and positive financial return. The January federal court ruling in *Spence v. American Airlines*, which found that American Airlines breached its duty of loyalty under the Employee Retirement Security Act (ERISA) by allowing BlackRock to use proxy voting policies to advance environmental, social, and governance (ESG) goals, underscores the importance of adhering to traditional fiduciary standards. The very occurrence of this case illustrates just how far fiduciary standards have splintered.

While some firms have recently taken encouraging steps, such as withdrawing from global climate coalitions and scaling back ESG rhetoric and proxy votes, and some states have permitted incremental reintegration, more work must be done. The number one issue is a recommitment to the foundational principles of fiduciary duty, loyalty, objectivity, and financial focus.

We therefore request that asset managers seeking to do business with our states take specific steps to reaffirm and operationalize their commitment to traditional fiduciary duty. This includes:

1) Abandoning the practice of framing deterministic future outcomes as long-term risks to justify immediate ideological interventions through corporate engagement or proxy

voting. Climate change is a common example of this issue, where potential risks—often uncertain and already accounted for in insurance and financial markets—are framed as certain and catastrophic to justify forcing companies to take immediate actions that may not align with their long-term business interests. Successful long-term investing relies on diversified portfolios rather than speculative predictions presented as guaranteed outcomes.

2) A commitment not to use passive investment vehicles for activist proxy voting or corporate engagement. Passive investing is designed to provide economic benefits of shareholder ownership, as reflected in price appreciation over time. Using that ownership position to actively influence company behavior beyond material and relatively short-term financial considerations breaches the expectations of millions of Americans who selected these vehicles for broad market exposure and low cost.

3) A commitment to abstain from embedding international political agendas, such as net-zero climate mandates, natural capital frameworks, or the EU's Corporate Sustainability Reporting Directive (CSRD), into default investment strategies and corporate engagement. These approaches often rely on predetermined political outcomes, not fiduciary judgment, and they risk overriding market signals in favor of ideological consensus.
4) Clear and transparent proxy voting guidelines and stewardship practices that reflect a singular focus on shareholder value. Voting decisions and corporate engagement must be aligned with shareholder value, not environmental or social goals imposed by activists.

5) A full disclosure of all affiliations and collaborative initiatives (e.g., Climate Action 100+, GFANZ, PRI) that could influence investment strategy or engagement priorities. Participation in such groups must not compromise a fiduciary's obligation to act solely on behalf of beneficiaries.

Fiduciary duty has long been a critical safeguard that facilitated efficient capital allocation grounded in financial merit rather than political ideology. But that clarity is being diluted under the banner of so-called "long-term risk mitigation," where speculative assumptions about the future, like climate change catastrophe, are used to justify ideological conclusions today. This deterministic approach to investing is not consistent with the fiduciary's role that recognizes uncertain and unknowable future outcomes and, hence, the construction of diversified portfolios.

Financial institutions wishing to compete for our states' business should provide durable assurances that their practices align with these principles. Our responsibility is to ensure public assets are managed in the best financial interest of beneficiaries and taxpayers. We expect detailed evidence that your firm's investment practices, proxy voting and corporate engagement behavior (which should be minimal to begin with), and institutional affiliations align with traditional fiduciary standards, as widely understood as short as ten years ago, and comply with applicable state laws.

We invite your firm to both respond to this letter by September 1, 2025 and engage directly with our offices, as some have begun to do, to provide clarity and demonstrate your commitment to a

fiduciary model grounded in financial integrity, not political advocacy. Our public servants, retirees, and taxpayers deserve nothing less.

Sincerely,


Alabama Auditor Andrew Sorrell


Alaska Commissioner of Revenue Adam Crum


Arizona Treasurer Kimberly Yee


Idaho Treasurer Julie Ellsworth


Indiana Comptroller Elise Nieshalla


Indiana Treasurer Dan Elliott


Iowa Treasurer Roby Smith


Kansas Treasurer Steven Johnson

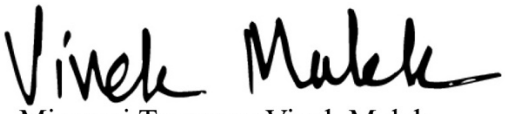

Kentucky Auditor Allison Ball


Kentucky Treasurer Mark Metcalf


Louisiana Treasurer John Fleming


Mississippi Treasurer David McRae


Missouri State Auditor Scott Fitzpatrick


Missouri Treasurer Vivek Malek


Nebraska Auditor Mike Foley


Nebraska Treasurer Tom Briese


North Carolina Treasurer Brad Briner


Oklahoma Auditor & Inspector Cindy Byrd


Oklahoma Treasurer Todd Russ


Pennsylvania Treasurer Stacy Garrity


South Carolina Treasurer Curtis Loftis


South Dakota Treasurer Josh Haeder


Utah Treasurer Marlo Oaks


West Virginia Treasurer Larry Pack


Wyoming Treasurer Curt Meier

July 29, 2025

Mr. Andrew Schlossberg
President and Chief Executive Officer
Invesco Ltd
1555 Peachtree Street, N.E., Suite 1800
Atlanta, GA 30309

Dear Mr. Schlossberg:

As financial officers entrusted with safeguarding our states' public funds, we write to express our deep concern about the erosion of traditional fiduciary duty in American capital markets. Over the past several years, many large financial institutions have used their positions as stewards of trillions in passive investments, such as index and target-date funds, to advance social and political agendas that fall outside the scope of materiality and positive financial return. The January federal court ruling in *Spence v. American Airlines*, which found that American Airlines breached its duty of loyalty under the Employee Retirement Security Act (ERISA) by allowing BlackRock to use proxy voting policies to advance environmental, social, and governance (ESG) goals, underscores the importance of adhering to traditional fiduciary standards. The very occurrence of this case illustrates just how far fiduciary standards have splintered.

While some firms have recently taken encouraging steps, such as withdrawing from global climate coalitions and scaling back ESG rhetoric and proxy votes, and some states have permitted incremental reintegration, more work must be done. The number one issue is a recommitment to the foundational principles of fiduciary duty, loyalty, objectivity, and financial focus.

We therefore request that asset managers seeking to do business with our states take specific steps to reaffirm and operationalize their commitment to traditional fiduciary duty. This includes:

1) Abandoning the practice of framing deterministic future outcomes as long-term risks to justify immediate ideological interventions through corporate engagement or proxy

voting. Climate change is a common example of this issue, where potential risks—often uncertain and already accounted for in insurance and financial markets—are framed as certain and catastrophic to justify forcing companies to take immediate actions that may not align with their long-term business interests. Successful long-term investing relies on diversified portfolios rather than speculative predictions presented as guaranteed outcomes.

2) A commitment not to use passive investment vehicles for activist proxy voting or corporate engagement. Passive investing is designed to provide economic benefits of shareholder ownership, as reflected in price appreciation over time. Using that ownership position to actively influence company behavior beyond material and relatively short-term financial considerations breaches the expectations of millions of Americans who selected these vehicles for broad market exposure and low cost.

3) A commitment to abstain from embedding international political agendas, such as net-zero climate mandates, natural capital frameworks, or the EU's Corporate Sustainability Reporting Directive (CSRD), into default investment strategies and corporate engagement. These approaches often rely on predetermined political outcomes, not fiduciary judgment, and they risk overriding market signals in favor of ideological consensus.
4) Clear and transparent proxy voting guidelines and stewardship practices that reflect a singular focus on shareholder value. Voting decisions and corporate engagement must be aligned with shareholder value, not environmental or social goals imposed by activists.

5) A full disclosure of all affiliations and collaborative initiatives (e.g., Climate Action 100+, GFANZ, PRI) that could influence investment strategy or engagement priorities. Participation in such groups must not compromise a fiduciary's obligation to act solely on behalf of beneficiaries.

Fiduciary duty has long been a critical safeguard that facilitated efficient capital allocation grounded in financial merit rather than political ideology. But that clarity is being diluted under the banner of so-called "long-term risk mitigation," where speculative assumptions about the future, like climate change catastrophe, are used to justify ideological conclusions today. This deterministic approach to investing is not consistent with the fiduciary's role that recognizes uncertain and unknowable future outcomes and, hence, the construction of diversified portfolios.

Financial institutions wishing to compete for our states' business should provide durable assurances that their practices align with these principles. Our responsibility is to ensure public assets are managed in the best financial interest of beneficiaries and taxpayers. We expect detailed evidence that your firm's investment practices, proxy voting and corporate engagement behavior (which should be minimal to begin with), and institutional affiliations align with traditional fiduciary standards, as widely understood as short as ten years ago, and comply with applicable state laws.

We invite your firm to both respond to this letter by September 1, 2025 and engage directly with our offices, as some have begun to do, to provide clarity and demonstrate your commitment to a

fiduciary model grounded in financial integrity, not political advocacy. Our public servants, retirees, and taxpayers deserve nothing less.

Sincerely,


Alabama Auditor Andrew Sorrell


Alaska Commissioner of Revenue Adam Crum


Arizona Treasurer Kimberly Yee


Idaho Treasurer Julie Ellsworth


Indiana Comptroller Elise Nieshalla


Indiana Treasurer Dan Elliott


Iowa Treasurer Roby Smith


Kansas Treasurer Steven Johnson

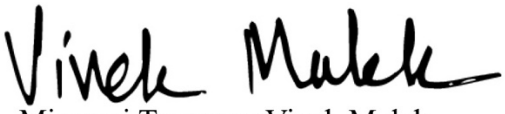

Kentucky Auditor Allison Ball


Kentucky Treasurer Mark Metcalf


Louisiana Treasurer John Fleming


Mississippi Treasurer David McRae


Missouri State Auditor Scott Fitzpatrick


Missouri Treasurer Vivek Malek


Nebraska Auditor Mike Foley


Nebraska Treasurer Tom Briese


North Carolina Treasurer Brad Briner


Oklahoma Auditor & Inspector Cindy Byrd


Oklahoma Treasurer Todd Russ


Pennsylvania Treasurer Stacy Garrity


South Carolina Treasurer Curtis Loftis


South Dakota Treasurer Josh Haeder


Utah Treasurer Marlo Oaks


West Virginia Treasurer Larry Pack


Wyoming Treasurer Curt Meier

July 29, 2025

Mr. George Gatch
Chief Executive Officer
JPMorgan Asset Management
270 Park Avenue
New York, NY 10017

Dear Mr. Gatch:

As financial officers entrusted with safeguarding our states' public funds, we write to express our deep concern about the erosion of traditional fiduciary duty in American capital markets. Over the past several years, many large financial institutions have used their positions as stewards of trillions in passive investments, such as index and target-date funds, to advance social and political agendas that fall outside the scope of materiality and positive financial return. The January federal court ruling in *Spence v. American Airlines*, which found that American Airlines breached its duty of loyalty under the Employee Retirement Security Act (ERISA) by allowing BlackRock to use proxy voting policies to advance environmental, social, and governance (ESG) goals, underscores the importance of adhering to traditional fiduciary standards. The very occurrence of this case illustrates just how far fiduciary standards have splintered.

While some firms have recently taken encouraging steps, such as withdrawing from global climate coalitions and scaling back ESG rhetoric and proxy votes, and some states have permitted incremental reintegration, more work must be done. The number one issue is a recommitment to the foundational principles of fiduciary duty, loyalty, objectivity, and financial focus.

We therefore request that asset managers seeking to do business with our states take specific steps to reaffirm and operationalize their commitment to traditional fiduciary duty. This includes:

1) Abandoning the practice of framing deterministic future outcomes as long-term risks to justify immediate ideological interventions through corporate engagement or proxy

voting. Climate change is a common example of this issue, where potential risks—often uncertain and already accounted for in insurance and financial markets—are framed as certain and catastrophic to justify forcing companies to take immediate actions that may not align with their long-term business interests. Successful long-term investing relies on diversified portfolios rather than speculative predictions presented as guaranteed outcomes.

2) A commitment not to use passive investment vehicles for activist proxy voting or corporate engagement. Passive investing is designed to provide economic benefits of shareholder ownership, as reflected in price appreciation over time. Using that ownership position to actively influence company behavior beyond material and relatively short-term financial considerations breaches the expectations of millions of Americans who selected these vehicles for broad market exposure and low cost.

3) A commitment to abstain from embedding international political agendas, such as net-zero climate mandates, natural capital frameworks, or the EU's Corporate Sustainability Reporting Directive (CSRD), into default investment strategies and corporate engagement. These approaches often rely on predetermined political outcomes, not fiduciary judgment, and they risk overriding market signals in favor of ideological consensus.
4) Clear and transparent proxy voting guidelines and stewardship practices that reflect a singular focus on shareholder value. Voting decisions and corporate engagement must be aligned with shareholder value, not environmental or social goals imposed by activists.

5) A full disclosure of all affiliations and collaborative initiatives (e.g., Climate Action 100+, GFANZ, PRI) that could influence investment strategy or engagement priorities. Participation in such groups must not compromise a fiduciary's obligation to act solely on behalf of beneficiaries.

Fiduciary duty has long been a critical safeguard that facilitated efficient capital allocation grounded in financial merit rather than political ideology. But that clarity is being diluted under the banner of so-called "long-term risk mitigation," where speculative assumptions about the future, like climate change catastrophe, are used to justify ideological conclusions today. This deterministic approach to investing is not consistent with the fiduciary's role that recognizes uncertain and unknowable future outcomes and, hence, the construction of diversified portfolios.

Financial institutions wishing to compete for our states' business should provide durable assurances that their practices align with these principles. Our responsibility is to ensure public assets are managed in the best financial interest of beneficiaries and taxpayers. We expect detailed evidence that your firm's investment practices, proxy voting and corporate engagement behavior (which should be minimal to begin with), and institutional affiliations align with traditional fiduciary standards, as widely understood as short as ten years ago, and comply with applicable state laws.

We invite your firm to both respond to this letter by September 1, 2025 and engage directly with our offices, as some have begun to do, to provide clarity and demonstrate your commitment to a

fiduciary model grounded in financial integrity, not political advocacy. Our public servants, retirees, and taxpayers deserve nothing less.

Sincerely,


Alabama Auditor Andrew Sorrell


Alaska Commissioner of Revenue Adam Crum


Arizona Treasurer Kimberly Yee


Idaho Treasurer Julie Ellsworth


Indiana Comptroller Elise Nieshalla


Indiana Treasurer Dan Elliott


Iowa Treasurer Roby Smith


Kansas Treasurer Steven Johnson

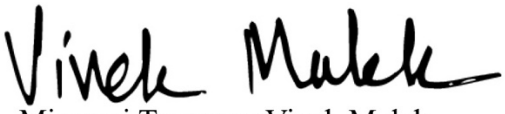

Kentucky Auditor Allison Ball


Kentucky Treasurer Mark Metcalf


Louisiana Treasurer John Fleming


Mississippi Treasurer David McRae


Missouri State Auditor Scott Fitzpatrick


Missouri Treasurer Vivek Malek


Nebraska Auditor Mike Foley


Nebraska Treasurer Tom Briese


North Carolina Treasurer Brad Briner


Oklahoma Auditor & Inspector Cindy Byrd


Oklahoma Treasurer Todd Russ


Pennsylvania Treasurer Stacy Garrity


South Carolina Treasurer Curtis Loftis


South Dakota Treasurer Josh Haeder


Utah Treasurer Marlo Oaks


West Virginia Treasurer Larry Pack


Wyoming Treasurer Curt Meier

July 29, 2025

Mr. Ted M. Maloney
Chief Executive Officer
MFS Investment Management
111 Huntington Avenue
Boston, MA 02199

Dear Mr. Maloney:

As financial officers entrusted with safeguarding our states' public funds, we write to express our deep concern about the erosion of traditional fiduciary duty in American capital markets. Over the past several years, many large financial institutions have used their positions as stewards of trillions in passive investments, such as index and target-date funds, to advance social and political agendas that fall outside the scope of materiality and positive financial return. The January federal court ruling in *Spence v. American Airlines*, which found that American Airlines breached its duty of loyalty under the Employee Retirement Security Act (ERISA) by allowing BlackRock to use proxy voting policies to advance environmental, social, and governance (ESG) goals, underscores the importance of adhering to traditional fiduciary standards. The very occurrence of this case illustrates just how far fiduciary standards have splintered.

While some firms have recently taken encouraging steps, such as withdrawing from global climate coalitions and scaling back ESG rhetoric and proxy votes, and some states have permitted incremental reintegration, more work must be done. The number one issue is a recommitment to the foundational principles of fiduciary duty, loyalty, objectivity, and financial focus.

We therefore request that asset managers seeking to do business with our states take specific steps to reaffirm and operationalize their commitment to traditional fiduciary duty. This includes:

1) Abandoning the practice of framing deterministic future outcomes as long-term risks to justify immediate ideological interventions through corporate engagement or proxy

voting. Climate change is a common example of this issue, where potential risks—often uncertain and already accounted for in insurance and financial markets—are framed as certain and catastrophic to justify forcing companies to take immediate actions that may not align with their long-term business interests. Successful long-term investing relies on diversified portfolios rather than speculative predictions presented as guaranteed outcomes.

2) A commitment not to use passive investment vehicles for activist proxy voting or corporate engagement. Passive investing is designed to provide economic benefits of shareholder ownership, as reflected in price appreciation over time. Using that ownership position to actively influence company behavior beyond material and relatively short-term financial considerations breaches the expectations of millions of Americans who selected these vehicles for broad market exposure and low cost.

3) A commitment to abstain from embedding international political agendas, such as net-zero climate mandates, natural capital frameworks, or the EU's Corporate Sustainability Reporting Directive (CSRD), into default investment strategies and corporate engagement. These approaches often rely on predetermined political outcomes, not fiduciary judgment, and they risk overriding market signals in favor of ideological consensus.
4) Clear and transparent proxy voting guidelines and stewardship practices that reflect a singular focus on shareholder value. Voting decisions and corporate engagement must be aligned with shareholder value, not environmental or social goals imposed by activists.

5) A full disclosure of all affiliations and collaborative initiatives (e.g., Climate Action 100+, GFANZ, PRI) that could influence investment strategy or engagement priorities. Participation in such groups must not compromise a fiduciary's obligation to act solely on behalf of beneficiaries.

Fiduciary duty has long been a critical safeguard that facilitated efficient capital allocation grounded in financial merit rather than political ideology. But that clarity is being diluted under the banner of so-called "long-term risk mitigation," where speculative assumptions about the future, like climate change catastrophe, are used to justify ideological conclusions today. This deterministic approach to investing is not consistent with the fiduciary's role that recognizes uncertain and unknowable future outcomes and, hence, the construction of diversified portfolios.

Financial institutions wishing to compete for our states' business should provide durable assurances that their practices align with these principles. Our responsibility is to ensure public assets are managed in the best financial interest of beneficiaries and taxpayers. We expect detailed evidence that your firm's investment practices, proxy voting and corporate engagement behavior (which should be minimal to begin with), and institutional affiliations align with traditional fiduciary standards, as widely understood as short as ten years ago, and comply with applicable state laws.

We invite your firm to both respond to this letter by September 1, 2025 and engage directly with our offices, as some have begun to do, to provide clarity and demonstrate your commitment to a

fiduciary model grounded in financial integrity, not political advocacy. Our public servants, retirees, and taxpayers deserve nothing less.

Sincerely,


Alabama Auditor Andrew Sorrell


Alaska Commissioner of Revenue Adam Crum


Arizona Treasurer Kimberly Yee


Idaho Treasurer Julie Ellsworth


Indiana Comptroller Elise Nieshalla


Indiana Treasurer Dan Elliott


Iowa Treasurer Roby Smith


Kansas Treasurer Steven Johnson

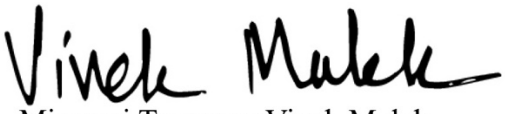

Kentucky Auditor Allison Ball


Kentucky Treasurer Mark Metcalf


Louisiana Treasurer John Fleming


Mississippi Treasurer David McRae


Missouri State Auditor Scott Fitzpatrick


Missouri Treasurer Vivek Malek


Nebraska Auditor Mike Foley


Nebraska Treasurer Tom Briese


North Carolina Treasurer Brad Briner


Oklahoma Auditor & Inspector Cindy Byrd


Oklahoma Treasurer Todd Russ


Pennsylvania Treasurer Stacy Garrity


South Carolina Treasurer Curtis Loftis


South Dakota Treasurer Josh Haeder


Utah Treasurer Marlo Oaks


West Virginia Treasurer Larry Pack


Wyoming Treasurer Curt Meier

July 29, 2025

Mr. Jed Finn
Head of Wealth Management
Morgan Stanley Wealth Management
1585 Broadway Avenue
New York, NY 10036

Dear Mr. Finn:

As financial officers entrusted with safeguarding our states' public funds, we write to express our deep concern about the erosion of traditional fiduciary duty in American capital markets. Over the past several years, many large financial institutions have used their positions as stewards of trillions in passive investments, such as index and target-date funds, to advance social and political agendas that fall outside the scope of materiality and positive financial return. The January federal court ruling in *Spence v. American Airlines*, which found that American Airlines breached its duty of loyalty under the Employee Retirement Security Act (ERISA) by allowing BlackRock to use proxy voting policies to advance environmental, social, and governance (ESG) goals, underscores the importance of adhering to traditional fiduciary standards. The very occurrence of this case illustrates just how far fiduciary standards have splintered.

While some firms have recently taken encouraging steps, such as withdrawing from global climate coalitions and scaling back ESG rhetoric and proxy votes, and some states have permitted incremental reintegration, more work must be done. The number one issue is a recommitment to the foundational principles of fiduciary duty, loyalty, objectivity, and financial focus.

We therefore request that asset managers seeking to do business with our states take specific steps to reaffirm and operationalize their commitment to traditional fiduciary duty. This includes:

1) Abandoning the practice of framing deterministic future outcomes as long-term risks to justify immediate ideological interventions through corporate engagement or proxy

voting. Climate change is a common example of this issue, where potential risks—often uncertain and already accounted for in insurance and financial markets—are framed as certain and catastrophic to justify forcing companies to take immediate actions that may not align with their long-term business interests. Successful long-term investing relies on diversified portfolios rather than speculative predictions presented as guaranteed outcomes.

2) A commitment not to use passive investment vehicles for activist proxy voting or corporate engagement. Passive investing is designed to provide economic benefits of shareholder ownership, as reflected in price appreciation over time. Using that ownership position to actively influence company behavior beyond material and relatively short-term financial considerations breaches the expectations of millions of Americans who selected these vehicles for broad market exposure and low cost.

3) A commitment to abstain from embedding international political agendas, such as net-zero climate mandates, natural capital frameworks, or the EU's Corporate Sustainability Reporting Directive (CSRD), into default investment strategies and corporate engagement. These approaches often rely on predetermined political outcomes, not fiduciary judgment, and they risk overriding market signals in favor of ideological consensus.
4) Clear and transparent proxy voting guidelines and stewardship practices that reflect a singular focus on shareholder value. Voting decisions and corporate engagement must be aligned with shareholder value, not environmental or social goals imposed by activists.

5) A full disclosure of all affiliations and collaborative initiatives (e.g., Climate Action 100+, GFANZ, PRI) that could influence investment strategy or engagement priorities. Participation in such groups must not compromise a fiduciary's obligation to act solely on behalf of beneficiaries.

Fiduciary duty has long been a critical safeguard that facilitated efficient capital allocation grounded in financial merit rather than political ideology. But that clarity is being diluted under the banner of so-called "long-term risk mitigation," where speculative assumptions about the future, like climate change catastrophe, are used to justify ideological conclusions today. This deterministic approach to investing is not consistent with the fiduciary's role that recognizes uncertain and unknowable future outcomes and, hence, the construction of diversified portfolios.

Financial institutions wishing to compete for our states' business should provide durable assurances that their practices align with these principles. Our responsibility is to ensure public assets are managed in the best financial interest of beneficiaries and taxpayers. We expect detailed evidence that your firm's investment practices, proxy voting and corporate engagement behavior (which should be minimal to begin with), and institutional affiliations align with traditional fiduciary standards, as widely understood as short as ten years ago, and comply with applicable state laws.

We invite your firm to both respond to this letter by September 1, 2025 and engage directly with our offices, as some have begun to do, to provide clarity and demonstrate your commitment to a

fiduciary model grounded in financial integrity, not political advocacy. Our public servants, retirees, and taxpayers deserve nothing less.

Sincerely,


Alabama Auditor Andrew Sorrell


Alaska Commissioner of Revenue Adam Crum


Arizona Treasurer Kimberly Yee


Idaho Treasurer Julie Ellsworth


Indiana Comptroller Elise Nieshalla


Indiana Treasurer Dan Elliott


Iowa Treasurer Roby Smith


Kansas Treasurer Steven Johnson

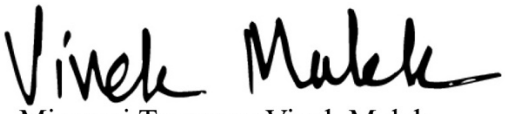

Kentucky Auditor Allison Ball


Kentucky Treasurer Mark Metcalf


Louisiana Treasurer John Fleming


Mississippi Treasurer David McRae


Missouri State Auditor Scott Fitzpatrick


Missouri Treasurer Vivek Malek


Nebraska Auditor Mike Foley


Nebraska Treasurer Tom Briese


North Carolina Treasurer Brad Briner


Oklahoma Auditor & Inspector Cindy Byrd


Oklahoma Treasurer Todd Russ


Pennsylvania Treasurer Stacy Garrity


South Carolina Treasurer Curtis Loftis


South Dakota Treasurer Josh Haeder


Utah Treasurer Marlo Oaks


West Virginia Treasurer Larry Pack


Wyoming Treasurer Curt Meier

July 29, 2025

Mr. George H. Walker
Chief Executive Officer
Neuberger Berman
1290 Avenue of the Americas
New York, NY 10104

Dear Mr. Walker:

As financial officers entrusted with safeguarding our states' public funds, we write to express our deep concern about the erosion of traditional fiduciary duty in American capital markets. Over the past several years, many large financial institutions have used their positions as stewards of trillions in passive investments, such as index and target-date funds, to advance social and political agendas that fall outside the scope of materiality and positive financial return. The January federal court ruling in *Spence v. American Airlines*, which found that American Airlines breached its duty of loyalty under the Employee Retirement Security Act (ERISA) by allowing BlackRock to use proxy voting policies to advance environmental, social, and governance (ESG) goals, underscores the importance of adhering to traditional fiduciary standards. The very occurrence of this case illustrates just how far fiduciary standards have splintered.

While some firms have recently taken encouraging steps, such as withdrawing from global climate coalitions and scaling back ESG rhetoric and proxy votes, and some states have permitted incremental reintegration, more work must be done. The number one issue is a recommitment to the foundational principles of fiduciary duty, loyalty, objectivity, and financial focus.

We therefore request that asset managers seeking to do business with our states take specific steps to reaffirm and operationalize their commitment to traditional fiduciary duty. This includes:

1) Abandoning the practice of framing deterministic future outcomes as long-term risks to justify immediate ideological interventions through corporate engagement or proxy

voting. Climate change is a common example of this issue, where potential risks—often uncertain and already accounted for in insurance and financial markets—are framed as certain and catastrophic to justify forcing companies to take immediate actions that may not align with their long-term business interests. Successful long-term investing relies on diversified portfolios rather than speculative predictions presented as guaranteed outcomes.

2) A commitment not to use passive investment vehicles for activist proxy voting or corporate engagement. Passive investing is designed to provide economic benefits of shareholder ownership, as reflected in price appreciation over time. Using that ownership position to actively influence company behavior beyond material and relatively short-term financial considerations breaches the expectations of millions of Americans who selected these vehicles for broad market exposure and low cost.

3) A commitment to abstain from embedding international political agendas, such as net-zero climate mandates, natural capital frameworks, or the EU's Corporate Sustainability Reporting Directive (CSRD), into default investment strategies and corporate engagement. These approaches often rely on predetermined political outcomes, not fiduciary judgment, and they risk overriding market signals in favor of ideological consensus.
4) Clear and transparent proxy voting guidelines and stewardship practices that reflect a singular focus on shareholder value. Voting decisions and corporate engagement must be aligned with shareholder value, not environmental or social goals imposed by activists.

5) A full disclosure of all affiliations and collaborative initiatives (e.g., Climate Action 100+, GFANZ, PRI) that could influence investment strategy or engagement priorities. Participation in such groups must not compromise a fiduciary's obligation to act solely on behalf of beneficiaries.

Fiduciary duty has long been a critical safeguard that facilitated efficient capital allocation grounded in financial merit rather than political ideology. But that clarity is being diluted under the banner of so-called "long-term risk mitigation," where speculative assumptions about the future, like climate change catastrophe, are used to justify ideological conclusions today. This deterministic approach to investing is not consistent with the fiduciary's role that recognizes uncertain and unknowable future outcomes and, hence, the construction of diversified portfolios.

Financial institutions wishing to compete for our states' business should provide durable assurances that their practices align with these principles. Our responsibility is to ensure public assets are managed in the best financial interest of beneficiaries and taxpayers. We expect detailed evidence that your firm's investment practices, proxy voting and corporate engagement behavior (which should be minimal to begin with), and institutional affiliations align with traditional fiduciary standards, as widely understood as short as ten years ago, and comply with applicable state laws.

We invite your firm to both respond to this letter by September 1, 2025 and engage directly with our offices, as some have begun to do, to provide clarity and demonstrate your commitment to a

fiduciary model grounded in financial integrity, not political advocacy. Our public servants, retirees, and taxpayers deserve nothing less.

Sincerely,


Alabama Auditor Andrew Sorrell


Alaska Commissioner of Revenue Adam Crum


Arizona Treasurer Kimberly Yee


Idaho Treasurer Julie Ellsworth


Indiana Comptroller Elise Nieshalla


Indiana Treasurer Dan Elliott


Iowa Treasurer Roby Smith


Kansas Treasurer Steven Johnson

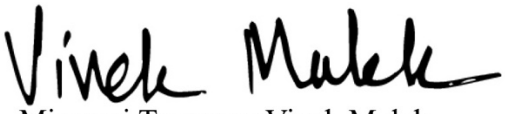

Kentucky Auditor Allison Ball


Kentucky Treasurer Mark Metcalf


Louisiana Treasurer John Fleming


Mississippi Treasurer David McRae


Missouri State Auditor Scott Fitzpatrick


Missouri Treasurer Vivek Malek


Nebraska Auditor Mike Foley


Nebraska Treasurer Tom Briese


North Carolina Treasurer Brad Briner


Oklahoma Auditor & Inspector Cindy Byrd


Oklahoma Treasurer Todd Russ


Pennsylvania Treasurer Stacy Garrity


South Carolina Treasurer Curtis Loftis


South Dakota Treasurer Josh Haeder


Utah Treasurer Marlo Oaks


West Virginia Treasurer Larry Pack


Wyoming Treasurer Curt Meier

July 29, 2025

Mr. Michael O'Grady
Chief Executive Officer
Northern Trust Corporation
50 South Lasalle
Chicago, IL 60603

Dear Mr. O'Grady:

As financial officers entrusted with safeguarding our states' public funds, we write to express our deep concern about the erosion of traditional fiduciary duty in American capital markets. Over the past several years, many large financial institutions have used their positions as stewards of trillions in passive investments, such as index and target-date funds, to advance social and political agendas that fall outside the scope of materiality and positive financial return. The January federal court ruling in *Spence v. American Airlines*, which found that American Airlines breached its duty of loyalty under the Employee Retirement Security Act (ERISA) by allowing BlackRock to use proxy voting policies to advance environmental, social, and governance (ESG) goals, underscores the importance of adhering to traditional fiduciary standards. The very occurrence of this case illustrates just how far fiduciary standards have splintered.

While some firms have recently taken encouraging steps, such as withdrawing from global climate coalitions and scaling back ESG rhetoric and proxy votes, and some states have permitted incremental reintegration, more work must be done. The number one issue is a recommitment to the foundational principles of fiduciary duty, loyalty, objectivity, and financial focus.

We therefore request that asset managers seeking to do business with our states take specific steps to reaffirm and operationalize their commitment to traditional fiduciary duty. This includes:

1) Abandoning the practice of framing deterministic future outcomes as long-term risks to justify immediate ideological interventions through corporate engagement or proxy

voting. Climate change is a common example of this issue, where potential risks—often uncertain and already accounted for in insurance and financial markets—are framed as certain and catastrophic to justify forcing companies to take immediate actions that may not align with their long-term business interests. Successful long-term investing relies on diversified portfolios rather than speculative predictions presented as guaranteed outcomes.

2) A commitment not to use passive investment vehicles for activist proxy voting or corporate engagement. Passive investing is designed to provide economic benefits of shareholder ownership, as reflected in price appreciation over time. Using that ownership position to actively influence company behavior beyond material and relatively short-term financial considerations breaches the expectations of millions of Americans who selected these vehicles for broad market exposure and low cost.

3) A commitment to abstain from embedding international political agendas, such as net-zero climate mandates, natural capital frameworks, or the EU's Corporate Sustainability Reporting Directive (CSRD), into default investment strategies and corporate engagement. These approaches often rely on predetermined political outcomes, not fiduciary judgment, and they risk overriding market signals in favor of ideological consensus.
4) Clear and transparent proxy voting guidelines and stewardship practices that reflect a singular focus on shareholder value. Voting decisions and corporate engagement must be aligned with shareholder value, not environmental or social goals imposed by activists.

5) A full disclosure of all affiliations and collaborative initiatives (e.g., Climate Action 100+, GFANZ, PRI) that could influence investment strategy or engagement priorities. Participation in such groups must not compromise a fiduciary's obligation to act solely on behalf of beneficiaries.

Fiduciary duty has long been a critical safeguard that facilitated efficient capital allocation grounded in financial merit rather than political ideology. But that clarity is being diluted under the banner of so-called "long-term risk mitigation," where speculative assumptions about the future, like climate change catastrophe, are used to justify ideological conclusions today. This deterministic approach to investing is not consistent with the fiduciary's role that recognizes uncertain and unknowable future outcomes and, hence, the construction of diversified portfolios.

Financial institutions wishing to compete for our states' business should provide durable assurances that their practices align with these principles. Our responsibility is to ensure public assets are managed in the best financial interest of beneficiaries and taxpayers. We expect detailed evidence that your firm's investment practices, proxy voting and corporate engagement behavior (which should be minimal to begin with), and institutional affiliations align with traditional fiduciary standards, as widely understood as short as ten years ago, and comply with applicable state laws.

We invite your firm to both respond to this letter by September 1, 2025 and engage directly with our offices, as some have begun to do, to provide clarity and demonstrate your commitment to a

fiduciary model grounded in financial integrity, not political advocacy. Our public servants, retirees, and taxpayers deserve nothing less.

Sincerely,


Alabama Auditor Andrew Sorrell


Alaska Commissioner of Revenue Adam Crum


Arizona Treasurer Kimberly Yee


Idaho Treasurer Julie Ellsworth


Indiana Comptroller Elise Nieshalla


Indiana Treasurer Dan Elliott


Iowa Treasurer Roby Smith


Kansas Treasurer Steven Johnson

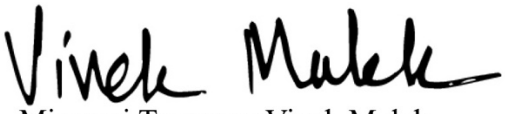

Kentucky Auditor Allison Ball


Kentucky Treasurer Mark Metcalf


Louisiana Treasurer John Fleming


Mississippi Treasurer David McRae


Missouri State Auditor Scott Fitzpatrick


Missouri Treasurer Vivek Malek


Nebraska Auditor Mike Foley


Nebraska Treasurer Tom Briese


North Carolina Treasurer Brad Briner


Oklahoma Auditor & Inspector Cindy Byrd


Oklahoma Treasurer Todd Russ


Pennsylvania Treasurer Stacy Garrity


South Carolina Treasurer Curtis Loftis


South Dakota Treasurer Josh Haeder


Utah Treasurer Marlo Oaks


West Virginia Treasurer Larry Pack


Wyoming Treasurer Curt Meier

July 29, 2025

Mr. William Huffman
Chief Executive Officer
Nuveen
333 West Wacker Drive
Chicago, IL 60606

Dear Mr. Huffman:

As financial officers entrusted with safeguarding our states' public funds, we write to express our deep concern about the erosion of traditional fiduciary duty in American capital markets. Over the past several years, many large financial institutions have used their positions as stewards of trillions in passive investments, such as index and target-date funds, to advance social and political agendas that fall outside the scope of materiality and positive financial return. The January federal court ruling in *Spence v. American Airlines*, which found that American Airlines breached its duty of loyalty under the Employee Retirement Security Act (ERISA) by allowing BlackRock to use proxy voting policies to advance environmental, social, and governance (ESG) goals, underscores the importance of adhering to traditional fiduciary standards. The very occurrence of this case illustrates just how far fiduciary standards have splintered.

While some firms have recently taken encouraging steps, such as withdrawing from global climate coalitions and scaling back ESG rhetoric and proxy votes, and some states have permitted incremental reintegration, more work must be done. The number one issue is a recommitment to the foundational principles of fiduciary duty, loyalty, objectivity, and financial focus.

We therefore request that asset managers seeking to do business with our states take specific steps to reaffirm and operationalize their commitment to traditional fiduciary duty. This includes:

1) Abandoning the practice of framing deterministic future outcomes as long-term risks to justify immediate ideological interventions through corporate engagement or proxy

voting. Climate change is a common example of this issue, where potential risks—often uncertain and already accounted for in insurance and financial markets—are framed as certain and catastrophic to justify forcing companies to take immediate actions that may not align with their long-term business interests. Successful long-term investing relies on diversified portfolios rather than speculative predictions presented as guaranteed outcomes.

2) A commitment not to use passive investment vehicles for activist proxy voting or corporate engagement. Passive investing is designed to provide economic benefits of shareholder ownership, as reflected in price appreciation over time. Using that ownership position to actively influence company behavior beyond material and relatively short-term financial considerations breaches the expectations of millions of Americans who selected these vehicles for broad market exposure and low cost.

3) A commitment to abstain from embedding international political agendas, such as net-zero climate mandates, natural capital frameworks, or the EU's Corporate Sustainability Reporting Directive (CSRD), into default investment strategies and corporate engagement. These approaches often rely on predetermined political outcomes, not fiduciary judgment, and they risk overriding market signals in favor of ideological consensus.
4) Clear and transparent proxy voting guidelines and stewardship practices that reflect a singular focus on shareholder value. Voting decisions and corporate engagement must be aligned with shareholder value, not environmental or social goals imposed by activists.

5) A full disclosure of all affiliations and collaborative initiatives (e.g., Climate Action 100+, GFANZ, PRI) that could influence investment strategy or engagement priorities. Participation in such groups must not compromise a fiduciary's obligation to act solely on behalf of beneficiaries.

Fiduciary duty has long been a critical safeguard that facilitated efficient capital allocation grounded in financial merit rather than political ideology. But that clarity is being diluted under the banner of so-called "long-term risk mitigation," where speculative assumptions about the future, like climate change catastrophe, are used to justify ideological conclusions today. This deterministic approach to investing is not consistent with the fiduciary's role that recognizes uncertain and unknowable future outcomes and, hence, the construction of diversified portfolios.

Financial institutions wishing to compete for our states' business should provide durable assurances that their practices align with these principles. Our responsibility is to ensure public assets are managed in the best financial interest of beneficiaries and taxpayers. We expect detailed evidence that your firm's investment practices, proxy voting and corporate engagement behavior (which should be minimal to begin with), and institutional affiliations align with traditional fiduciary standards, as widely understood as short as ten years ago, and comply with applicable state laws.

We invite your firm to both respond to this letter by September 1, 2025 and engage directly with our offices, as some have begun to do, to provide clarity and demonstrate your commitment to a

fiduciary model grounded in financial integrity, not political advocacy. Our public servants, retirees, and taxpayers deserve nothing less.

Sincerely,


Alabama Auditor Andrew Sorrell


Alaska Commissioner of Revenue Adam Crum


Arizona Treasurer Kimberly Yee


Idaho Treasurer Julie Ellsworth


Indiana Comptroller Elise Nieshalla


Indiana Treasurer Dan Elliott


Iowa Treasurer Roby Smith


Kansas Treasurer Steven Johnson

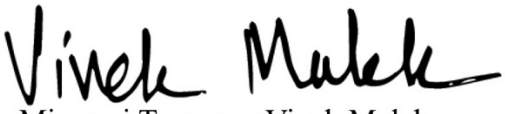

Kentucky Auditor Allison Ball


Kentucky Treasurer Mark Metcalf


Louisiana Treasurer John Fleming


Mississippi Treasurer David McRae


Missouri State Auditor Scott Fitzpatrick


Missouri Treasurer Vivek Malek


Nebraska Auditor Mike Foley


Nebraska Treasurer Tom Briese


North Carolina Treasurer Brad Briner


Oklahoma Auditor & Inspector Cindy Byrd


Oklahoma Treasurer Todd Russ


Pennsylvania Treasurer Stacy Garrity


South Carolina Treasurer Curtis Loftis


South Dakota Treasurer Josh Haeder


Utah Treasurer Marlo Oaks


West Virginia Treasurer Larry Pack


Wyoming Treasurer Curt Meier

July 29, 2025

Mr. Andrew Sullivan
Chief Executive Officer
Prudential Financial
751 Broad Street, Prudential Plaza
Newark, NJ 07102

Dear Mr. Sullivan:

As financial officers entrusted with safeguarding our states' public funds, we write to express our deep concern about the erosion of traditional fiduciary duty in American capital markets. Over the past several years, many large financial institutions have used their positions as stewards of trillions in passive investments, such as index and target-date funds, to advance social and political agendas that fall outside the scope of materiality and positive financial return. The January federal court ruling in *Spence v. American Airlines*, which found that American Airlines breached its duty of loyalty under the Employee Retirement Security Act (ERISA) by allowing BlackRock to use proxy voting policies to advance environmental, social, and governance (ESG) goals, underscores the importance of adhering to traditional fiduciary standards. The very occurrence of this case illustrates just how far fiduciary standards have splintered.

While some firms have recently taken encouraging steps, such as withdrawing from global climate coalitions and scaling back ESG rhetoric and proxy votes, and some states have permitted incremental reintegration, more work must be done. The number one issue is a recommitment to the foundational principles of fiduciary duty, loyalty, objectivity, and financial focus.

We therefore request that asset managers seeking to do business with our states take specific steps to reaffirm and operationalize their commitment to traditional fiduciary duty. This includes:

1) Abandoning the practice of framing deterministic future outcomes as long-term risks to justify immediate ideological interventions through corporate engagement or proxy

voting. Climate change is a common example of this issue, where potential risks—often uncertain and already accounted for in insurance and financial markets—are framed as certain and catastrophic to justify forcing companies to take immediate actions that may not align with their long-term business interests. Successful long-term investing relies on diversified portfolios rather than speculative predictions presented as guaranteed outcomes.

2) A commitment not to use passive investment vehicles for activist proxy voting or corporate engagement. Passive investing is designed to provide economic benefits of shareholder ownership, as reflected in price appreciation over time. Using that ownership position to actively influence company behavior beyond material and relatively short-term financial considerations breaches the expectations of millions of Americans who selected these vehicles for broad market exposure and low cost.

3) A commitment to abstain from embedding international political agendas, such as net-zero climate mandates, natural capital frameworks, or the EU's Corporate Sustainability Reporting Directive (CSRD), into default investment strategies and corporate engagement. These approaches often rely on predetermined political outcomes, not fiduciary judgment, and they risk overriding market signals in favor of ideological consensus.
4) Clear and transparent proxy voting guidelines and stewardship practices that reflect a singular focus on shareholder value. Voting decisions and corporate engagement must be aligned with shareholder value, not environmental or social goals imposed by activists.

5) A full disclosure of all affiliations and collaborative initiatives (e.g., Climate Action 100+, GFANZ, PRI) that could influence investment strategy or engagement priorities. Participation in such groups must not compromise a fiduciary's obligation to act solely on behalf of beneficiaries.

Fiduciary duty has long been a critical safeguard that facilitated efficient capital allocation grounded in financial merit rather than political ideology. But that clarity is being diluted under the banner of so-called "long-term risk mitigation," where speculative assumptions about the future, like climate change catastrophe, are used to justify ideological conclusions today. This deterministic approach to investing is not consistent with the fiduciary's role that recognizes uncertain and unknowable future outcomes and, hence, the construction of diversified portfolios.

Financial institutions wishing to compete for our states' business should provide durable assurances that their practices align with these principles. Our responsibility is to ensure public assets are managed in the best financial interest of beneficiaries and taxpayers. We expect detailed evidence that your firm's investment practices, proxy voting and corporate engagement behavior (which should be minimal to begin with), and institutional affiliations align with traditional fiduciary standards, as widely understood as short as ten years ago, and comply with applicable state laws.

We invite your firm to both respond to this letter by September 1, 2025 and engage directly with our offices, as some have begun to do, to provide clarity and demonstrate your commitment to a

fiduciary model grounded in financial integrity, not political advocacy. Our public servants, retirees, and taxpayers deserve nothing less.

Sincerely,


Alabama Auditor Andrew Sorrell


Alaska Commissioner of Revenue Adam Crum


Arizona Treasurer Kimberly Yee


Idaho Treasurer Julie Ellsworth


Indiana Comptroller Elise Nieshalla


Indiana Treasurer Dan Elliott


Iowa Treasurer Roby Smith


Kansas Treasurer Steven Johnson

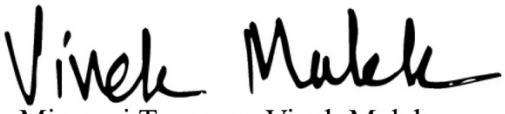

Kentucky Auditor Allison Ball


Kentucky Treasurer Mark Metcalf


Louisiana Treasurer John Fleming


Mississippi Treasurer David McRae


Missouri State Auditor Scott Fitzpatrick


Missouri Treasurer Vivek Malek


Nebraska Auditor Mike Foley


Nebraska Treasurer Tom Briese


North Carolina Treasurer Brad Briner


Oklahoma Auditor & Inspector Cindy Byrd


Oklahoma Treasurer Todd Russ


Pennsylvania Treasurer Stacy Garrity


South Carolina Treasurer Curtis Loftis


South Dakota Treasurer Josh Haeder


Utah Treasurer Marlo Oaks


West Virginia Treasurer Larry Pack


Wyoming Treasurer Curt Meier

July 29, 2025

Omar Aguilar, Ph.D.
President, Chief Executive Officer, and Chief Investment Officer
Schwab Asset Management
3000 Schwab Way
Westlake, TX 76262

Dear Dr. Aguilar:

As financial officers entrusted with safeguarding our states' public funds, we write to express our deep concern about the erosion of traditional fiduciary duty in American capital markets. Over the past several years, many large financial institutions have used their positions as stewards of trillions in passive investments, such as index and target-date funds, to advance social and political agendas that fall outside the scope of materiality and positive financial return. The January federal court ruling in *Spence v. American Airlines*, which found that American Airlines breached its duty of loyalty under the Employee Retirement Security Act (ERISA) by allowing BlackRock to use proxy voting policies to advance environmental, social, and governance (ESG) goals, underscores the importance of adhering to traditional fiduciary standards. The very occurrence of this case illustrates just how far fiduciary standards have splintered.

While some firms have recently taken encouraging steps, such as withdrawing from global climate coalitions and scaling back ESG rhetoric and proxy votes, and some states have permitted incremental reintegration, more work must be done. The number one issue is a recommitment to the foundational principles of fiduciary duty, loyalty, objectivity, and financial focus.

We therefore request that asset managers seeking to do business with our states take specific steps to reaffirm and operationalize their commitment to traditional fiduciary duty. This includes:

1) Abandoning the practice of framing deterministic future outcomes as long-term risks to justify immediate ideological interventions through corporate engagement or proxy

voting. Climate change is a common example of this issue, where potential risks—often uncertain and already accounted for in insurance and financial markets—are framed as certain and catastrophic to justify forcing companies to take immediate actions that may not align with their long-term business interests. Successful long-term investing relies on diversified portfolios rather than speculative predictions presented as guaranteed outcomes.

2) A commitment not to use passive investment vehicles for activist proxy voting or corporate engagement. Passive investing is designed to provide economic benefits of shareholder ownership, as reflected in price appreciation over time. Using that ownership position to actively influence company behavior beyond material and relatively short-term financial considerations breaches the expectations of millions of Americans who selected these vehicles for broad market exposure and low cost.

3) A commitment to abstain from embedding international political agendas, such as net-zero climate mandates, natural capital frameworks, or the EU's Corporate Sustainability Reporting Directive (CSRD), into default investment strategies and corporate engagement. These approaches often rely on predetermined political outcomes, not fiduciary judgment, and they risk overriding market signals in favor of ideological consensus.
4) Clear and transparent proxy voting guidelines and stewardship practices that reflect a singular focus on shareholder value. Voting decisions and corporate engagement must be aligned with shareholder value, not environmental or social goals imposed by activists.

5) A full disclosure of all affiliations and collaborative initiatives (e.g., Climate Action 100+, GFANZ, PRI) that could influence investment strategy or engagement priorities. Participation in such groups must not compromise a fiduciary's obligation to act solely on behalf of beneficiaries.

Fiduciary duty has long been a critical safeguard that facilitated efficient capital allocation grounded in financial merit rather than political ideology. But that clarity is being diluted under the banner of so-called "long-term risk mitigation," where speculative assumptions about the future, like climate change catastrophe, are used to justify ideological conclusions today. This deterministic approach to investing is not consistent with the fiduciary's role that recognizes uncertain and unknowable future outcomes and, hence, the construction of diversified portfolios.

Financial institutions wishing to compete for our states' business should provide durable assurances that their practices align with these principles. Our responsibility is to ensure public assets are managed in the best financial interest of beneficiaries and taxpayers. We expect detailed evidence that your firm's investment practices, proxy voting and corporate engagement behavior (which should be minimal to begin with), and institutional affiliations align with traditional fiduciary standards, as widely understood as short as ten years ago, and comply with applicable state laws.

We invite your firm to both respond to this letter by September 1, 2025 and engage directly with our offices, as some have begun to do, to provide clarity and demonstrate your commitment to a

fiduciary model grounded in financial integrity, not political advocacy. Our public servants, retirees, and taxpayers deserve nothing less.

Sincerely,


Alabama Auditor Andrew Sorrell


Alaska Commissioner of Revenue Adam Crum


Arizona Treasurer Kimberly Yee


Idaho Treasurer Julie Ellsworth


Indiana Comptroller Elise Nieshalla


Indiana Treasurer Dan Elliott


Iowa Treasurer Roby Smith


Kansas Treasurer Steven Johnson

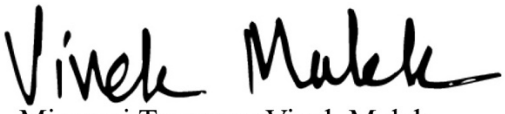

Kentucky Auditor Allison Ball


Kentucky Treasurer Mark Metcalf


Louisiana Treasurer John Fleming


Mississippi Treasurer David McRae


Missouri State Auditor Scott Fitzpatrick


Missouri Treasurer Vivek Malek


Nebraska Auditor Mike Foley


Nebraska Treasurer Tom Briese


North Carolina Treasurer Brad Briner


Oklahoma Auditor & Inspector Cindy Byrd


Oklahoma Treasurer Todd Russ


Pennsylvania Treasurer Stacy Garrity


South Carolina Treasurer Curtis Loftis


South Dakota Treasurer Josh Haeder


Utah Treasurer Marlo Oaks


West Virginia Treasurer Larry Pack


Wyoming Treasurer Curt Meier

July 29, 2025

Ms. Yie-Hsin Hung
Chairman and Chief Executive Officer
State Street Global Advisors
1 Iron Street
Boston, MA 02210

Dear Ms. Hung:

As financial officers entrusted with safeguarding our states' public funds, we write to express our deep concern about the erosion of traditional fiduciary duty in American capital markets. Over the past several years, many large financial institutions have used their positions as stewards of trillions in passive investments, such as index and target-date funds, to advance social and political agendas that fall outside the scope of materiality and positive financial return. The January federal court ruling in *Spence v. American Airlines*, which found that American Airlines breached its duty of loyalty under the Employee Retirement Security Act (ERISA) by allowing BlackRock to use proxy voting policies to advance environmental, social, and governance (ESG) goals, underscores the importance of adhering to traditional fiduciary standards. The very occurrence of this case illustrates just how far fiduciary standards have splintered.

While some firms have recently taken encouraging steps, such as withdrawing from global climate coalitions and scaling back ESG rhetoric and proxy votes, and some states have permitted incremental reintegration, more work must be done. The number one issue is a recommitment to the foundational principles of fiduciary duty, loyalty, objectivity, and financial focus.

We therefore request that asset managers seeking to do business with our states take specific steps to reaffirm and operationalize their commitment to traditional fiduciary duty. This includes:

1) Abandoning the practice of framing deterministic future outcomes as long-term risks to justify immediate ideological interventions through corporate engagement or proxy

voting. Climate change is a common example of this issue, where potential risks—often uncertain and already accounted for in insurance and financial markets—are framed as certain and catastrophic to justify forcing companies to take immediate actions that may not align with their long-term business interests. Successful long-term investing relies on diversified portfolios rather than speculative predictions presented as guaranteed outcomes.

2) A commitment not to use passive investment vehicles for activist proxy voting or corporate engagement. Passive investing is designed to provide economic benefits of shareholder ownership, as reflected in price appreciation over time. Using that ownership position to actively influence company behavior beyond material and relatively short-term financial considerations breaches the expectations of millions of Americans who selected these vehicles for broad market exposure and low cost.

3) A commitment to abstain from embedding international political agendas, such as net-zero climate mandates, natural capital frameworks, or the EU's Corporate Sustainability Reporting Directive (CSRD), into default investment strategies and corporate engagement. These approaches often rely on predetermined political outcomes, not fiduciary judgment, and they risk overriding market signals in favor of ideological consensus.
4) Clear and transparent proxy voting guidelines and stewardship practices that reflect a singular focus on shareholder value. Voting decisions and corporate engagement must be aligned with shareholder value, not environmental or social goals imposed by activists.

5) A full disclosure of all affiliations and collaborative initiatives (e.g., Climate Action 100+, GFANZ, PRI) that could influence investment strategy or engagement priorities. Participation in such groups must not compromise a fiduciary's obligation to act solely on behalf of beneficiaries.

Fiduciary duty has long been a critical safeguard that facilitated efficient capital allocation grounded in financial merit rather than political ideology. But that clarity is being diluted under the banner of so-called "long-term risk mitigation," where speculative assumptions about the future, like climate change catastrophe, are used to justify ideological conclusions today. This deterministic approach to investing is not consistent with the fiduciary's role that recognizes uncertain and unknowable future outcomes and, hence, the construction of diversified portfolios.

Financial institutions wishing to compete for our states' business should provide durable assurances that their practices align with these principles. Our responsibility is to ensure public assets are managed in the best financial interest of beneficiaries and taxpayers. We expect detailed evidence that your firm's investment practices, proxy voting and corporate engagement behavior (which should be minimal to begin with), and institutional affiliations align with traditional fiduciary standards, as widely understood as short as ten years ago, and comply with applicable state laws.

We invite your firm to both respond to this letter by September 1, 2025 and engage directly with our offices, as some have begun to do, to provide clarity and demonstrate your commitment to a

fiduciary model grounded in financial integrity, not political advocacy. Our public servants, retirees, and taxpayers deserve nothing less.

Sincerely,


Alabama Auditor Andrew Sorrell


Alaska Commissioner of Revenue Adam Crum


Arizona Treasurer Kimberly Yee


Idaho Treasurer Julie Ellsworth


Indiana Comptroller Elise Nieshalla


Indiana Treasurer Dan Elliott


Iowa Treasurer Roby Smith


Kansas Treasurer Steven Johnson

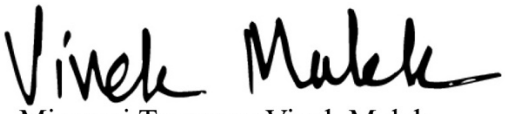

Kentucky Auditor Allison Ball


Kentucky Treasurer Mark Metcalf


Louisiana Treasurer John Fleming


Mississippi Treasurer David McRae


Missouri State Auditor Scott Fitzpatrick


Missouri Treasurer Vivek Malek


Nebraska Auditor Mike Foley


Nebraska Treasurer Tom Briese


North Carolina Treasurer Brad Briner


Oklahoma Auditor & Inspector Cindy Byrd


Oklahoma Treasurer Todd Russ


Pennsylvania Treasurer Stacy Garrity


South Carolina Treasurer Curtis Loftis


South Dakota Treasurer Josh Haeder


Utah Treasurer Marlo Oaks


West Virginia Treasurer Larry Pack


Wyoming Treasurer Curt Meier

July 29, 2025

Mr. Robert W. Sharps
Chief Executive Officer
T. Rowe Price
100 East Pratt Street
Baltimore, MD 21202

Dear Mr. Sharps:

As financial officers entrusted with safeguarding our states' public funds, we write to express our deep concern about the erosion of traditional fiduciary duty in American capital markets. Over the past several years, many large financial institutions have used their positions as stewards of trillions in passive investments, such as index and target-date funds, to advance social and political agendas that fall outside the scope of materiality and positive financial return. The January federal court ruling in *Spence v. American Airlines*, which found that American Airlines breached its duty of loyalty under the Employee Retirement Security Act (ERISA) by allowing BlackRock to use proxy voting policies to advance environmental, social, and governance (ESG) goals, underscores the importance of adhering to traditional fiduciary standards. The very occurrence of this case illustrates just how far fiduciary standards have splintered.

While some firms have recently taken encouraging steps, such as withdrawing from global climate coalitions and scaling back ESG rhetoric and proxy votes, and some states have permitted incremental reintegration, more work must be done. The number one issue is a recommitment to the foundational principles of fiduciary duty, loyalty, objectivity, and financial focus.

We therefore request that asset managers seeking to do business with our states take specific steps to reaffirm and operationalize their commitment to traditional fiduciary duty. This includes:

1) Abandoning the practice of framing deterministic future outcomes as long-term risks to justify immediate ideological interventions through corporate engagement or proxy

voting. Climate change is a common example of this issue, where potential risks—often uncertain and already accounted for in insurance and financial markets—are framed as certain and catastrophic to justify forcing companies to take immediate actions that may not align with their long-term business interests. Successful long-term investing relies on diversified portfolios rather than speculative predictions presented as guaranteed outcomes.

2) A commitment not to use passive investment vehicles for activist proxy voting or corporate engagement. Passive investing is designed to provide economic benefits of shareholder ownership, as reflected in price appreciation over time. Using that ownership position to actively influence company behavior beyond material and relatively short-term financial considerations breaches the expectations of millions of Americans who selected these vehicles for broad market exposure and low cost.

3) A commitment to abstain from embedding international political agendas, such as net-zero climate mandates, natural capital frameworks, or the EU's Corporate Sustainability Reporting Directive (CSRD), into default investment strategies and corporate engagement. These approaches often rely on predetermined political outcomes, not fiduciary judgment, and they risk overriding market signals in favor of ideological consensus.
4) Clear and transparent proxy voting guidelines and stewardship practices that reflect a singular focus on shareholder value. Voting decisions and corporate engagement must be aligned with shareholder value, not environmental or social goals imposed by activists.

5) A full disclosure of all affiliations and collaborative initiatives (e.g., Climate Action 100+, GFANZ, PRI) that could influence investment strategy or engagement priorities. Participation in such groups must not compromise a fiduciary's obligation to act solely on behalf of beneficiaries.

Fiduciary duty has long been a critical safeguard that facilitated efficient capital allocation grounded in financial merit rather than political ideology. But that clarity is being diluted under the banner of so-called "long-term risk mitigation," where speculative assumptions about the future, like climate change catastrophe, are used to justify ideological conclusions today. This deterministic approach to investing is not consistent with the fiduciary's role that recognizes uncertain and unknowable future outcomes and, hence, the construction of diversified portfolios.

Financial institutions wishing to compete for our states' business should provide durable assurances that their practices align with these principles. Our responsibility is to ensure public assets are managed in the best financial interest of beneficiaries and taxpayers. We expect detailed evidence that your firm's investment practices, proxy voting and corporate engagement behavior (which should be minimal to begin with), and institutional affiliations align with traditional fiduciary standards, as widely understood as short as ten years ago, and comply with applicable state laws.

We invite your firm to both respond to this letter by September 1, 2025 and engage directly with our offices, as some have begun to do, to provide clarity and demonstrate your commitment to a

fiduciary model grounded in financial integrity, not political advocacy. Our public servants, retirees, and taxpayers deserve nothing less.

Sincerely,


Alabama Auditor Andrew Sorrell


Alaska Commissioner of Revenue Adam Crum


Arizona Treasurer Kimberly Yee


Idaho Treasurer Julie Ellsworth


Indiana Comptroller Elise Nieshalla


Indiana Treasurer Dan Elliott


Iowa Treasurer Roby Smith


Kansas Treasurer Steven Johnson

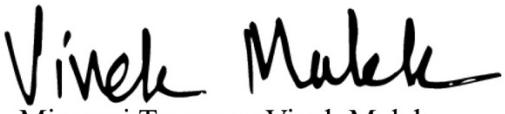

Kentucky Auditor Allison Ball


Kentucky Treasurer Mark Metcalf


Louisiana Treasurer John Fleming


Mississippi Treasurer David McRae


Missouri State Auditor Scott Fitzpatrick


Missouri Treasurer Vivek Malek


Nebraska Auditor Mike Foley


Nebraska Treasurer Tom Briese


North Carolina Treasurer Brad Briner


Oklahoma Auditor & Inspector Cindy Byrd


Oklahoma Treasurer Todd Russ


Pennsylvania Treasurer Stacy Garrity


South Carolina Treasurer Curtis Loftis


South Dakota Treasurer Josh Haeder


Utah Treasurer Marlo Oaks


West Virginia Treasurer Larry Pack


Wyoming Treasurer Curt Meier

July 29, 2025

Mr. Salim Ramji
Chief Executive Officer
Vanguard Group
100 Vanguard Blvd
Malvern, PA 19355

Dear Mr. Ramji:

As financial officers entrusted with safeguarding our states' public funds, we write to express our deep concern about the erosion of traditional fiduciary duty in American capital markets. Over the past several years, many large financial institutions have used their positions as stewards of trillions in passive investments, such as index and target-date funds, to advance social and political agendas that fall outside the scope of materiality and positive financial return. The January federal court ruling in *Spence v. American Airlines*, which found that American Airlines breached its duty of loyalty under the Employee Retirement Security Act (ERISA) by allowing BlackRock to use proxy voting policies to advance environmental, social, and governance (ESG) goals, underscores the importance of adhering to traditional fiduciary standards. The very occurrence of this case illustrates just how far fiduciary standards have splintered.

While some firms have recently taken encouraging steps, such as withdrawing from global climate coalitions and scaling back ESG rhetoric and proxy votes, and some states have permitted incremental reintegration, more work must be done. The number one issue is a recommitment to the foundational principles of fiduciary duty, loyalty, objectivity, and financial focus.

We therefore request that asset managers seeking to do business with our states take specific steps to reaffirm and operationalize their commitment to traditional fiduciary duty. This includes:

1) Abandoning the practice of framing deterministic future outcomes as long-term risks to justify immediate ideological interventions through corporate engagement or proxy

voting. Climate change is a common example of this issue, where potential risks—often uncertain and already accounted for in insurance and financial markets—are framed as certain and catastrophic to justify forcing companies to take immediate actions that may not align with their long-term business interests. Successful long-term investing relies on diversified portfolios rather than speculative predictions presented as guaranteed outcomes.

2) A commitment not to use passive investment vehicles for activist proxy voting or corporate engagement. Passive investing is designed to provide economic benefits of shareholder ownership, as reflected in price appreciation over time. Using that ownership position to actively influence company behavior beyond material and relatively short-term financial considerations breaches the expectations of millions of Americans who selected these vehicles for broad market exposure and low cost.

3) A commitment to abstain from embedding international political agendas, such as net-zero climate mandates, natural capital frameworks, or the EU's Corporate Sustainability Reporting Directive (CSRD), into default investment strategies and corporate engagement. These approaches often rely on predetermined political outcomes, not fiduciary judgment, and they risk overriding market signals in favor of ideological consensus.
4) Clear and transparent proxy voting guidelines and stewardship practices that reflect a singular focus on shareholder value. Voting decisions and corporate engagement must be aligned with shareholder value, not environmental or social goals imposed by activists.

5) A full disclosure of all affiliations and collaborative initiatives (e.g., Climate Action 100+, GFANZ, PRI) that could influence investment strategy or engagement priorities. Participation in such groups must not compromise a fiduciary's obligation to act solely on behalf of beneficiaries.

Fiduciary duty has long been a critical safeguard that facilitated efficient capital allocation grounded in financial merit rather than political ideology. But that clarity is being diluted under the banner of so-called "long-term risk mitigation," where speculative assumptions about the future, like climate change catastrophe, are used to justify ideological conclusions today. This deterministic approach to investing is not consistent with the fiduciary's role that recognizes uncertain and unknowable future outcomes and, hence, the construction of diversified portfolios.

Financial institutions wishing to compete for our states' business should provide durable assurances that their practices align with these principles. Our responsibility is to ensure public assets are managed in the best financial interest of beneficiaries and taxpayers. We expect detailed evidence that your firm's investment practices, proxy voting and corporate engagement behavior (which should be minimal to begin with), and institutional affiliations align with traditional fiduciary standards, as widely understood as short as ten years ago, and comply with applicable state laws.

We invite your firm to both respond to this letter by September 1, 2025 and engage directly with our offices, as some have begun to do, to provide clarity and demonstrate your commitment to a

fiduciary model grounded in financial integrity, not political advocacy. Our public servants, retirees, and taxpayers deserve nothing less.

Sincerely,


Alabama Auditor Andrew Sorrell


Alaska Commissioner of Revenue Adam Crum


Arizona Treasurer Kimberly Yee


Idaho Treasurer Julie Ellsworth


Indiana Comptroller Elise Nieshalla


Indiana Treasurer Dan Elliott


Iowa Treasurer Roby Smith


Kansas Treasurer Steven Johnson

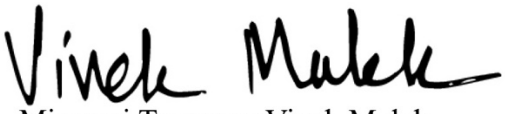

Kentucky Auditor Allison Ball


Kentucky Treasurer Mark Metcalf


Louisiana Treasurer John Fleming


Mississippi Treasurer David McRae


Missouri State Auditor Scott Fitzpatrick


Missouri Treasurer Vivek Malek


Nebraska Auditor Mike Foley


Nebraska Treasurer Tom Briese


North Carolina Treasurer Brad Briner


Oklahoma Auditor & Inspector Cindy Byrd


Oklahoma Treasurer Todd Russ


Pennsylvania Treasurer Stacy Garrity


South Carolina Treasurer Curtis Loftis


South Dakota Treasurer Josh Haeder


Utah Treasurer Marlo Oaks


West Virginia Treasurer Larry Pack


Wyoming Treasurer Curt Meier

July 29, 2025

Ms. Jean Hynes
Chief Executive Officer
Wellington Management Company
280 Congress Street
Boston, MA 02210

Dear Ms. Hynes:

As financial officers entrusted with safeguarding our states' public funds, we write to express our deep concern about the erosion of traditional fiduciary duty in American capital markets. Over the past several years, many large financial institutions have used their positions as stewards of trillions in passive investments, such as index and target-date funds, to advance social and political agendas that fall outside the scope of materiality and positive financial return. The January federal court ruling in *Spence v. American Airlines*, which found that American Airlines breached its duty of loyalty under the Employee Retirement Security Act (ERISA) by allowing BlackRock to use proxy voting policies to advance environmental, social, and governance (ESG) goals, underscores the importance of adhering to traditional fiduciary standards. The very occurrence of this case illustrates just how far fiduciary standards have splintered.

While some firms have recently taken encouraging steps, such as withdrawing from global climate coalitions and scaling back ESG rhetoric and proxy votes, and some states have permitted incremental reintegration, more work must be done. The number one issue is a recommitment to the foundational principles of fiduciary duty, loyalty, objectivity, and financial focus.

We therefore request that asset managers seeking to do business with our states take specific steps to reaffirm and operationalize their commitment to traditional fiduciary duty. This includes:

1) Abandoning the practice of framing deterministic future outcomes as long-term risks to justify immediate ideological interventions through corporate engagement or proxy

voting. Climate change is a common example of this issue, where potential risks—often uncertain and already accounted for in insurance and financial markets—are framed as certain and catastrophic to justify forcing companies to take immediate actions that may not align with their long-term business interests. Successful long-term investing relies on diversified portfolios rather than speculative predictions presented as guaranteed outcomes.

2) A commitment not to use passive investment vehicles for activist proxy voting or corporate engagement. Passive investing is designed to provide economic benefits of shareholder ownership, as reflected in price appreciation over time. Using that ownership position to actively influence company behavior beyond material and relatively short-term financial considerations breaches the expectations of millions of Americans who selected these vehicles for broad market exposure and low cost.

3) A commitment to abstain from embedding international political agendas, such as net-zero climate mandates, natural capital frameworks, or the EU's Corporate Sustainability Reporting Directive (CSRD), into default investment strategies and corporate engagement. These approaches often rely on predetermined political outcomes, not fiduciary judgment, and they risk overriding market signals in favor of ideological consensus.
4) Clear and transparent proxy voting guidelines and stewardship practices that reflect a singular focus on shareholder value. Voting decisions and corporate engagement must be aligned with shareholder value, not environmental or social goals imposed by activists.

5) A full disclosure of all affiliations and collaborative initiatives (e.g., Climate Action 100+, GFANZ, PRI) that could influence investment strategy or engagement priorities. Participation in such groups must not compromise a fiduciary's obligation to act solely on behalf of beneficiaries.

Fiduciary duty has long been a critical safeguard that facilitated efficient capital allocation grounded in financial merit rather than political ideology. But that clarity is being diluted under the banner of so-called "long-term risk mitigation," where speculative assumptions about the future, like climate change catastrophe, are used to justify ideological conclusions today. This deterministic approach to investing is not consistent with the fiduciary's role that recognizes uncertain and unknowable future outcomes and, hence, the construction of diversified portfolios.

Financial institutions wishing to compete for our states' business should provide durable assurances that their practices align with these principles. Our responsibility is to ensure public assets are managed in the best financial interest of beneficiaries and taxpayers. We expect detailed evidence that your firm's investment practices, proxy voting and corporate engagement behavior (which should be minimal to begin with), and institutional affiliations align with traditional fiduciary standards, as widely understood as short as ten years ago, and comply with applicable state laws.

We invite your firm to both respond to this letter by September 1, 2025 and engage directly with our offices, as some have begun to do, to provide clarity and demonstrate your commitment to a

fiduciary model grounded in financial integrity, not political advocacy. Our public servants, retirees, and taxpayers deserve nothing less.

Sincerely,


Alabama Auditor Andrew Sorrell


Alaska Commissioner of Revenue Adam Crum


Arizona Treasurer Kimberly Yee


Idaho Treasurer Julie Ellsworth


Indiana Comptroller Elise Nieshalla


Indiana Treasurer Dan Elliott


Iowa Treasurer Roby Smith


Kansas Treasurer Steven Johnson

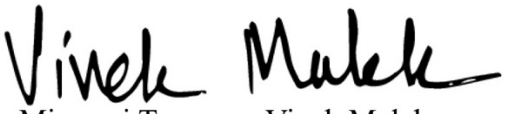

Kentucky Auditor Allison Ball


Kentucky Treasurer Mark Metcalf


Louisiana Treasurer John Fleming


Mississippi Treasurer David McRae


Missouri State Auditor Scott Fitzpatrick


Missouri Treasurer Vivek Malek


Nebraska Auditor Mike Foley


Nebraska Treasurer Tom Briese


North Carolina Treasurer Brad Briner


Oklahoma Auditor & Inspector Cindy Byrd


Oklahoma Treasurer Todd Russ


Pennsylvania Treasurer Stacy Garrity


South Carolina Treasurer Curtis Loftis


South Dakota Treasurer Josh Haeder


Utah Treasurer Marlo Oaks


West Virginia Treasurer Larry Pack


Wyoming Treasurer Curt Meier

July 29, 2025

Mr. Barry Sommers
Chief Executive Officer
Wells Fargo Wealth & Investment Management
500 W 33rd St 30 Hudson Yards
New York, NY 10001

Dear Mr. Sommers:

As financial officers entrusted with safeguarding our states' public funds, we write to express our deep concern about the erosion of traditional fiduciary duty in American capital markets. Over the past several years, many large financial institutions have used their positions as stewards of trillions in passive investments, such as index and target-date funds, to advance social and political agendas that fall outside the scope of materiality and positive financial return. The January federal court ruling in *Spence v. American Airlines*, which found that American Airlines breached its duty of loyalty under the Employee Retirement Security Act (ERISA) by allowing BlackRock to use proxy voting policies to advance environmental, social, and governance (ESG) goals, underscores the importance of adhering to traditional fiduciary standards. The very occurrence of this case illustrates just how far fiduciary standards have splintered.

While some firms have recently taken encouraging steps, such as withdrawing from global climate coalitions and scaling back ESG rhetoric and proxy votes, and some states have permitted incremental reintegration, more work must be done. The number one issue is a recommitment to the foundational principles of fiduciary duty, loyalty, objectivity, and financial focus.

We therefore request that asset managers seeking to do business with our states take specific steps to reaffirm and operationalize their commitment to traditional fiduciary duty. This includes:

1) Abandoning the practice of framing deterministic future outcomes as long-term risks to justify immediate ideological interventions through corporate engagement or proxy

voting. Climate change is a common example of this issue, where potential risks—often uncertain and already accounted for in insurance and financial markets—are framed as certain and catastrophic to justify forcing companies to take immediate actions that may not align with their long-term business interests. Successful long-term investing relies on diversified portfolios rather than speculative predictions presented as guaranteed outcomes.

2) A commitment not to use passive investment vehicles for activist proxy voting or corporate engagement. Passive investing is designed to provide economic benefits of shareholder ownership, as reflected in price appreciation over time. Using that ownership position to actively influence company behavior beyond material and relatively short-term financial considerations breaches the expectations of millions of Americans who selected these vehicles for broad market exposure and low cost.

3) A commitment to abstain from embedding international political agendas, such as net-zero climate mandates, natural capital frameworks, or the EU's Corporate Sustainability Reporting Directive (CSRD), into default investment strategies and corporate engagement. These approaches often rely on predetermined political outcomes, not fiduciary judgment, and they risk overriding market signals in favor of ideological consensus.
4) Clear and transparent proxy voting guidelines and stewardship practices that reflect a singular focus on shareholder value. Voting decisions and corporate engagement must be aligned with shareholder value, not environmental or social goals imposed by activists.

5) A full disclosure of all affiliations and collaborative initiatives (e.g., Climate Action 100+, GFANZ, PRI) that could influence investment strategy or engagement priorities. Participation in such groups must not compromise a fiduciary's obligation to act solely on behalf of beneficiaries.

Fiduciary duty has long been a critical safeguard that facilitated efficient capital allocation grounded in financial merit rather than political ideology. But that clarity is being diluted under the banner of so-called "long-term risk mitigation," where speculative assumptions about the future, like climate change catastrophe, are used to justify ideological conclusions today. This deterministic approach to investing is not consistent with the fiduciary's role that recognizes uncertain and unknowable future outcomes and, hence, the construction of diversified portfolios.

Financial institutions wishing to compete for our states' business should provide durable assurances that their practices align with these principles. Our responsibility is to ensure public assets are managed in the best financial interest of beneficiaries and taxpayers. We expect detailed evidence that your firm's investment practices, proxy voting and corporate engagement behavior (which should be minimal to begin with), and institutional affiliations align with traditional fiduciary standards, as widely understood as short as ten years ago, and comply with applicable state laws.

We invite your firm to both respond to this letter by September 1, 2025 and engage directly with our offices, as some have begun to do, to provide clarity and demonstrate your commitment to a

fiduciary model grounded in financial integrity, not political advocacy. Our public servants, retirees, and taxpayers deserve nothing less.

Sincerely,


Alabama Auditor Andrew Sorrell


Alaska Commissioner of Revenue Adam Crum


Arizona Treasurer Kimberly Yee


Idaho Treasurer Julie Ellsworth


Indiana Comptroller Elise Nieshalla


Indiana Treasurer Dan Elliott


Iowa Treasurer Roby Smith


Kansas Treasurer Steven Johnson

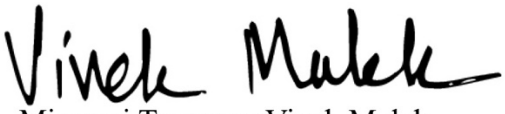

Kentucky Auditor Allison Ball


Kentucky Treasurer Mark Metcalf


Louisiana Treasurer John Fleming


Mississippi Treasurer David McRae


Missouri State Auditor Scott Fitzpatrick


Missouri Treasurer Vivek Malek


Nebraska Auditor Mike Foley


Nebraska Treasurer Tom Briese


North Carolina Treasurer Brad Briner


Oklahoma Auditor & Inspector Cindy Byrd


Oklahoma Treasurer Todd Russ


Pennsylvania Treasurer Stacy Garrity


South Carolina Treasurer Curtis Loftis


South Dakota Treasurer Josh Haeder


Utah Treasurer Marlo Oaks


West Virginia Treasurer Larry Pack


Wyoming Treasurer Curt Meier