WOKE FINANCE IS HURTING OKLAHOMANS

Financial institutions are targeting Oklahoma industries, including agriculture and gas.

- The world's largest money managers are targeting specific sectors—including agriculture and oil & gas—to force them to comply with the aspirational climate goals of the Paris Agreement.
- Members of initiatives like NZAM or CA100+—including BlackRock, State Street, and Northern Trust—manage large amounts of retirement savings, including over $23 billion for Oklahoma's state pensions as of 2023.
- These money managers are using their influence to pressure companies to get farmers to electrify their farm vehicles, change their fertilizer use, and move toward "lower-carbon alternatives to meat and dairy products."
- Moreover, climate groups say the U.S. needs to cut its per capita ruminant meat consumption in half by 2050.
- These policies will hurt Oklahoma's ranchers. Beef production contributed $2.7 billion to Oklahoma in 2020.
- CA100+ is also pushing oil & gas companies to align their capital expenditures with the goals of the Paris Agreement, and it assesses utilities based on whether they have announced a "full phase-out" of gas units.
- These policies are sure to harm Oklahoma, where oil and gas are the state's top industries by revenue.

Money managers are also imposing ESG mandates on utilities like Public Service Company of Oklahoma (AEP). This makes the Sooner State's electricity supply dependent on China.

- Money managers are pressuring power companies to "align future capital expenditures with . . . limiting global warming to 1.5° C," which means ramping up solar and wind energy to nearly 70% of electricity generation.
- This increases dependence on China, which controls more than 80% of all manufacturing stages of solar panels, 60–80% of wind energy components, and up to 90% of the processing of critical minerals, like rare earths.
- At the same time, these asset managers pressure electric utilities to phase out gas and coal power by 2040, but coal and natural gas provided over half of Oklahoma's net electricity generation as of November 2023.

Major banks are pressuring energy companies with their lending practices.

- Bank of America and JPMorgan Chase have both joined the Net-Zero Banking Alliance, committing to slash their clients' emissions intensity by 2030 in the power sector by about 70%, and in the oil and gas sector by 35–42%.
- These climate policies will especially harm Oklahomans, given that oil & gas provided over $2 billion in tax revenue in the 12-month period from February 2022–2023.

How Oklahoma can push back: Legislative Solutions

Oklahoma previously passed the Energy Discrimination Elimination Act of 2022, which prohibits state contracts with companies that boycott energy companies for actions that do not violate the law, like not committing to meet aspirational environmental standards. This law requires the State Treasurer to keep a list of financial institutions that boycott oil & gas companies and creates a schedule for state governmental entities to divest from listed financial companies.

Going forward, Oklahoma can:

- **Protect Oklahoma's Farmers:** Oklahoma can empower the state's Secretary of Agriculture and Attorney General to investigate and take action when banks restrict services to farmers based on environmental policies.
- **Protect Workers' and Families' Savings:** Oklahoma can protect pensioners by enacting a law, enforceable by the Attorney General or another executive branch official, that clarifies that the fiduciary duty of those managing Oklahoma's pension funds is to consider only financial factors and financial purposes. This would benefit Oklahoma's retirees by shifting their assets to asset managers that are focused on financial purposes.

More Information on Woke Finance Organizations

United Nations-inspired climate initiatives push the Paris Agreement on U.S. companies.

In the past few years, numerous financial initiatives have arisen to coordinate asset managers, banks, and other financial institutions to comply with the aspirational climate goals of the Paris Agreement—even though the Paris Agreement is not legally binding on U.S. companies.

Some of the most notable groups are the Glasgow Financial Alliance for Net Zero (GFANZ), which is grounded in the UN-backed Race to Zero campaign, and Climate Action 100+, which is partially led by the UN-affiliated Principles for Responsible Investment.

GFANZ and Climate Action 100+ have enormous sway, controlling trillions of dollars.

GFANZ boasts that its members represent "over $130 trillion of private capital" that is "committed to transforming the economy for net zero." Its Net-Zero Banking Alliance represents over 40% of global banking assets, including JPMorgan Chase, Bank of America, Wells Fargo, Citi, Goldman Sachs, and Morgan Stanley. Overseen by the UN, these members commit to align their financed emissions with net zero by 2050 or sooner. Similarly, members of GFANZ's Net Zero Asset Managers initiative (NZAM), including Blackrock and State Street, commit to "play [their] part to help deliver the goals of the Paris Agreement" by managing assets in line with net zero greenhouse gas emissions by 2050 or sooner and by phasing out fossil fuels.

Climate Action 100+ (CA100+) members collectively managed $68 trillion in assets in 2023. CA100+ members target certain companies and pressure them to commit to "[t]ake action to reduce greenhouse gas emissions across the value chain . . . . consistent with the Paris Agreement's goal." Their sector strategies target power companies, agriculture (food & beverage), aviation, steel, and mining.

These groups are using Oklahomans' hard-earned savings to advance their own radical goals.

Asset managers influence company behavior by "engaging" with them one-on-one and voting at annual meetings on shareholder proposals and board directors. In recent years, this has looked like:

- BlackRock asking companies to "set short-, medium-, and long-term targets for greenhouse gas reductions" and "explain how their business model will be compatible with . . . net zero."
- BlackRock and State Street voting for dissident board candidates at ExxonMobil as part of a campaign to get ExxonMobil to invest more heavily in "net-zero emissions energy sources" and "align [its] business with a net zero economy."
- BlackRock, State Street, and Northern Trust voting in favor of insurers Chubb and Travelers Companies disclosing plans to "reduce the GHG emissions associated with [their] underwriting, insuring, and investment activities" in line with net zero.
- BlackRock, State Street, and Northern Trust voting in favor of Charter Communications publishing a "diversity, equity, and inclusion" (DEI) report with "quantitative data on workforce composition, and recruitment, retention, and promotion rates of employees by gender, race, and ethnicity."
- Northern Trust voting for Lowe's, Walmart, and the TJX Companies (parent of TJ Maxx, Marshalls, and HomeGoods) to report on risks to their companies caused by abortion restrictions.