

For Immediate Release — March 15, 2023

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Majority Action Responds to BlackRock CEO's Letter to Investors

New York — Eli Kasargod-Staub, executive director of [Majority Action](#), released the following statement in response to BlackRock CEO Larry Fink's [letter](#) to investors:

“While BlackRock claims that it is prioritizing and acting on behalf of its clients, its proxy voting record consistently shows its failure to address the biggest systemic risks facing long-term investors. BlackRock clients depend on the world's largest asset manager to manage and mitigate risks on behalf of their financial futures. However the company's retreat to offering proxy voting “choice” rather than actually taking a responsible stewardship position as a baseline prioritizes BlackRock's own short-term political interests over its duties to clients.”

[Supporting detail on the proxy voting behavior of BlackRock in the 2022 AGM season](#)

BlackRock on [Climate in the 2022 Proxy Voting Season](#)

- In the 2022 proxy voting season, BlackRock rubber-stamped boards of directors at misaligned climate-critical companies – despite having a proxy

voting policy that enables votes against directors on the basis of climate performance. It voted for 97.7% of directors at climate-critical S&P 500 companies, sixth-worst among the top 20 global asset managers.

- That represents an increase of 1.9% year on year, the biggest increase among the four largest asset managers – in a year in which the best-performing top-20 asset managers decreased support for climate-critical directors. It also amounts to support for directors at climate-critical companies at a greater rate than directors at S&P 500 index companies as a whole (97.5%).
- The same pattern holds true for director votes at [Climate Action 100+](#) focus companies. BlackRock supported 98.2% of directors at U.S.-based Climate Action 100+ focus companies in 2022, including supporting the entire board at 40 out of 44 such companies. Ahead of the 2022 proxy season, 17 U.S.-based focus companies had not even partially met expectations for a net zero by 2050 ambition; BlackRock supported the entire board at 88% of those companies.

BlackRock on [Equity in the 2022 Proxy Season](#)

- BlackRock's support for racial equity audit proposals fell to 52.6% in 2022, from 87.5% in 2021. In 2022 its support was sixth-worst among the top 20 global asset managers. It failed to vote for four proposals that would have reached majorities with BlackRock support: Chevron, Mondelez, Travelers, and American Water Works.
- Among S&P 500 companies, just four companies remained governed by all-white boards as of their 2022 AGM. Of these, the chairs of the nominating committee faced re-election at three of them: DISH Network, PTC, and West Pharmaceutical Services. BlackRock voted to re-elect all three of those nominating committee chairs, one of just four of the top 20 asset managers to do so.

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Majority Action is a nonprofit organization dedicated to empowering shareholders of all sizes to hold corporations and their leadership accountable to high standards of long-term value creation, corporate governance, and social responsibility. www.majorityaction.us