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Majority Action Responds to BlackRock's Annual Stewardship Report

NEW YORK - Eli Kasargod-Staub, Executive Director of [Majority Action](#), released the following statement in response to BlackRock's [2020-2021 stewardship report](#):

"Despite an incremental increase in support for ESG shareholder proposals and their high-profile support of Engine No. 1's efforts to replace board members at ExxonMobil, BlackRock's voting performance and engagement standards continue to fail to protect long-term investors from the largest systemic risks they face. With the climate crisis upon us and a historic reckoning underway on racial justice and the future of democracy, BlackRock will need to substantially enhance its voting and engagement strategies to protect its clients, company stakeholders, and long-term shareholders overall."

This report highlights how BlackRock is failing investors and stakeholders:

- IEA's recent [analysis](#) demonstrates that in order to reach a net-zero future, there can be no further investment in expansion of fossil fuels. According to the Climate Action 100+, of which BlackRock is a member, [none of the world's largest emitters](#) have fully aligned their capital spending with a net-zero future. However, BlackRock claimed that two-thirds of the companies it engaged on climate issues have made "meaningful progress," raising significant concerns about the standards to which BlackRock is holding boards on these critical risks.
- While BlackRock voted against 255 directors as a result of climate concerns, BlackRock's analysis does not make clear whether these companies include the largest emitting companies that are still not on track for decarbonization. BlackRock's own voting bulletins demonstrate support for directors at companies that are investing heavily in the expansion of fossil fuel production and use.
- Earlier this year, more than 140 [racial justice leaders](#) and allies and a group of [large foundations](#) called on asset managers to uphold their public commitments to racial justice through their votes during this shareholder season on both shareholder proposals and director elections. It is unclear from this report whether BlackRock supported proposals for racial equity audits at financial institutions and other large corporations. BlackRock's report does not speak to any votes to hold directors accountable for increasing racial diversity on corporate boards.

Majority Action's [full analysis](#) of BlackRock and other asset managers' voting records from this proxy season will be available in the fall after they are disclosed to the SEC.

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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