



For Immediate Release: December 10, 2020

Contact: Kari Hudnell, kari@abpartners.co, 609-668-0560

Activist, Client, and Shareholder Demands Drive Breakthrough Climate Proxy Voting Commitment from BlackRock

Majority Action will test BlackRock's commitment to vote against directors at companies failing to align to net-zero objectives in 2021

NEW YORK — Eli Kasargod-Staub, executive director of [Majority Action](#), a nonprofit shareholder advocacy organization, released the following statement in response to BlackRock's [newly released report](#) on its 2021 stewardship expectations:

BlackRock announces commitment to vote for climate action — not just disclosure

“After years of escalating demands from activists, clients, shareholders, and elected officials, BlackRock’s announcement of its plans to hold boards accountable to climate action in 2021 marks a critical—if long-overdue—recognition by the asset manager of its responsibility to use its outsized voting power to demand corporate action to curb catastrophic climate change. Majority Action has [asserted for years](#) that BlackRock has the responsibility to hold directors accountable to a net-zero standard and to stop undermining global shareholder efforts for climate action. Now, for the first time, BlackRock is committing to leverage its power to support the shift to a net-zero future—declaring they will vote against directors not just for lack of disclosure of climate risks, but for lack of alignment to the global goal of achieving net-zero carbon emissions by 2050. BlackRock is finally joining [leading asset owners and managers](#) that have recognized the need for comprehensive action on the systemic risks of climate change, and to hold directors accountable for addressing them.”

Critical Questions Remain

“BlackRock must answer critical questions that would determine how this commitment would be put into action. The topics requiring urgent clarification include:

- To what standards will BlackRock assess company transition plans as being credible and sufficient to the task of reaching global net-zero emissions?

- BlackRock says that companies' business plans must be aligned to a *global* aspiration of net-zero emissions by 2050; to what decarbonization timeline will companies in industries and markets that need to reach net-zero sooner be held?
- Which companies are in BlackRock's stated 'extended universe of over 1000 companies,' and which 191 companies are on its 'watch list' due to not meeting expectations?
- Is BlackRock committing to vote for comprehensive, public disclosure of net-zero plans and policy influence activity, or simply a backdoor reassurance that all is well?
- After years of engagement, will BlackRock begin voting against directors at companies that have failed to disclose adequate decarbonization plans as soon as their 2021 meetings?

These and other key details will be critical to watch for in BlackRock's January's policy release."

Majority Action Will Put BlackRock to the Test in the 2021 Proxy Season

"The real test of how well BlackRock's announcement mitigates systemic climate risk will be in its implementation. Despite BlackRock's claims in January that it would 'put climate change at the center of its investment strategy', including holding board directors accountable for climate action, BlackRock [used its voting power to back 99% of directors at oil and gas, electric power, and other climate-critical sectors across the S&P 500](#) — without regard to their alignment, or lack thereof, to net-zero objectives. BlackRock must make a radical departure from its 2020 voting behavior to uphold this new commitment.

Together with our partners, Majority Action will be putting BlackRock's commitments to the test in the 2021 proxy season, identifying companies materially misaligned with our net-zero future and calling on BlackRock and other top asset managers to vote against directors on boards that fail to meet this standard."

###

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