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**State Street Global Advisors Announcement on ESG Voting Indicates Growing Trend,
Leaving Vanguard As Sole Index Fund Leader to Fail to Commit to Holding Boards
Accountable for ESG Failures**

NEW YORK -- In response to State Street Global Advisors’ announcement that it will vote against the boards of companies that fail to meet environmental, social, and governance (ESG) standards, Eli Kasargod-Staub, executive director of [Majority Action](#), a nonprofit shareholder advocacy organization, made the following statement:

“State Street’s announcement marks a pivotal moment for boards that are failing to manage ESG issues and the material risks they pose to shareholders. With State Street’s message closely following [BlackRock’s announcement](#) this month that it will incorporate sustainability into its proxy voting, two of the three largest U.S. asset managers recognize that it is part of their fiduciary obligation to vote against boards at companies that fail to manage these critical risks.

The three largest index fund managers—BlackRock, Vanguard, and State Street—[collectively vote about 25 percent of the shares at S&P 500 companies](#). Given the systemic and escalating risks that climate change poses to our entire economic and financial system, these largest asset managers have an obligation to use their voting power to ensure that all companies—particularly carbon-intensive industries—are aligning their strategies to our net-zero future. Today Vanguard stands alone as the only one of these top three managers to fail to commit to using its voting power to hold boards accountable on these risks.”

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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