



For Immediate Release: July 14, 2020
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BlackRock's Actions On Key Votes Exposes Its Lack Of Commitment To Mitigating Systemic Climate Risks

Once Again, BlackRock Alone Could Have Swung Key Votes to Majority Support, but Failed to Do So

NEW YORK -- In response to BlackRock's investment [report](#) on sustainability stewardship, Eli Kasargod-Staub, Executive Director of [Majority Action](#), a nonprofit shareholder advocacy organization, made the following statement:

"This season, Majority Action [tracked key shareholder votes](#) across top U.S. companies in the power production, oil and gas, and transportation industries—the sectors that must make dramatic transformations to curb the worst of catastrophic climate change and protect long-term investors.

Despite becoming a signatory in January to Climate Action 100+, BlackRock voted for just 2 of the 12 of the [Climate Action 100+ flagged votes](#), voting against climate action at some of the largest U.S. power producers and transportation companies. Most egregiously, BlackRock failed the most high-profile decision point of the 2020 season: BlackRock voted to re-elect JP Morgan Chase's Lead Independent Director and architect of ExxonMobil's notorious climate change denial strategy, Lee Raymond, to JPMorgan Chase's board, and against aligning lending to the Paris agreement at JPMorgan Chase. With their outsized voting power, BlackRock alone could have swung climate-critical resolutions at Delta Air Lines, Dominion Energy, and JPMorgan Chase to majority support—but BlackRock voted against them.

The central element of BlackRock's 2020 commitment to center climate change in its investment strategy was its commitment to hold directors accountable for climate action. Last year, BlackRock [used their voting power to back 99% of directors](#) at oil and gas and electric power companies across the S&P 500, despite woefully inadequate action across those sectors to combat climate change. This year appears largely unchanged: of the 244

companies BlackRock itself identified as having insufficient progress on climate change, it only took action against a fifth of those companies— placing a majority “on watch” for 2021’s proxy season. With the increasing chance that global temperatures could reach the crucial [1.5 degree](#) Celsius pre-Industrial level within the next five years, BlackRock’s decision to put the most dangerous companies and sectors on watch delays the sector-wide changes with the greatest potential to shape corporate climate action and protect long-term shareholder value. It is clear from these limited disclosures and voting changes that BlackRock has yet to overhaul its proxy voting approach with anywhere near the scale that would be necessary to comprehensively and systematically address climate risk across its holdings.

BlackRock’s vote for climate delay is a vote for climate denial.”

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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