



Tim Buckley
Chairman and Chief Executive Officer
The Vanguard Group, Inc.
100 Vanguard Blvd
Malvern, PA 19355

April 3, 2023

Dear Mr. Buckley,

Zevin Asset Management is an investment management firm based in Boston, founded in 1997, with expertise in integrating environmental, social, and governance (ESG) factors into investment decision-making. We hold approximately \$40 million in Vanguard funds on behalf of our clients.

In line with our fiduciary duty, our clients' interests are first and foremost. We expect other fiduciaries that we work with to do the same. We were disappointed to learn the news of Vanguard backing out of the Net Zero Asset Managers initiative and seemingly succumbing to [political pressure](#). In light of this, we join other investors in urgently requesting that Vanguard issue a comprehensive strategy for how it intends to mitigate climate risks in clients' portfolios.

Relative to its peers, Vanguard is quickly becoming a laggard when it comes to exercising its fiduciary duty via proxy voting. While Vanguard has [publicly acknowledged](#) the climate crisis' "profound, fundamental risk to investors' long-term success," the firm's proxy voting record indicates otherwise. From 2021 to 2022, Vanguard's support for environmental proposals at energy companies declined by [31%](#). Relative to its peers, BlackRock and State Street, Vanguard supported half as many environmental proposals at energy companies in 2022. Both managers have taken action to mitigate climate risk, as signatories of the Net Zero Asset Managers initiative and members of coalitions such as the Climate Action 100+.

Investor expectations on climate-related actions are increasing. Specifically, we ask that Vanguard report to its clients on how it plans to comprehensively manage climate risk across its products, services, and through its policies and practices including proxy voting. With the recent expansion of asset managers claiming to integrate ESG factors into their investment decision-making, we look for leadership from Vanguard in the face of the coordinated and misguided attacks against the industry.

We would appreciate arranging a meeting with the appropriate company representatives. Please contact Zevin Asset Management Director of Sustainable Investing Marcela Pinilla at marcela@zevin.com to coordinate.

Sincerely,



Sonia Kowal
President
Zevin Asset Management

CC:

Bill Roberts, Head of Investment Stewardship Policy and Research

John Galloway, Global Head of Investment Stewardship

Jessica Pearce, Investment Stewardship Engagement Lead

Maria Sebastian, Director, Investment Stewardship

Edward Gehl, Director, Investment Stewardship

Anne Robinson, General Counsel and Corporate Secretary

Marcela Pinilla, Director of Sustainable Investing, Zevin Asset Management