



FOR IMMEDIATE RELEASE

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Comptroller Nieshalla Welcomes Review of Indiana Pension Fund Manager to Ensure Fiduciary-Only Approach

STATEHOUSE – State Comptroller Elise Nieshalla, serving as a board member of the Indiana Public Retirement System (INPRS), welcomes a report to the Board from State Treasurer Daniel Elliott on fund manager BlackRock, Inc. Nieshalla says the report offers needed insights into the company’s environmental, social and governance (ESG) investing policies and how they are incorporating non-financial factors in their investment decisions. The Treasurer’s findings were reported to the Board as required under state law enacted in 2023.

“We need fund manager partners who balance fiduciary duty with market risks to maximize return rather than prioritizing non-financial factors such as social, political and ideological interests,” Nieshalla stated. “As a board, we must review our relationship with BlackRock and its investing policies as a whole.”

Nieshalla’s comments follow the June 21, 2024 Board meeting where the State Treasurer presented information that BlackRock engages in the prioritization of ESG factors over acting in the best interest of the beneficiaries and their investment returns. The report refers to the company’s Securities and Exchange Commission public filing that says, “*management and reputational risks related to ESG engagement may cause revenue and earnings to decline.*”

Nieshalla added, “I appreciate the efforts of our State Treasurer for his research and reporting and for INPRS’ contribution to our due diligence as a board.”

In accordance with Indiana statute, the next step requires the Board to consider other fund managers not engaged in prioritizing ESG factors that are comparable in financial performance to ensure the Board’s fiduciary duty to beneficiaries. The Board has 180 days to fulfill this duty.

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Elise M. Nieshalla is the Indiana State Comptroller, fulfilling the duties of the Constitutional Office of State Auditor. Comptroller Nieshalla is committed to serving our state and local governments by upholding the highest standards of fiscal responsibility in the provision of

accurate accounting and reporting of state funds, disbursement of tax revenues to local units of government, payment of Indiana's employees and vendors, administration of the state's deferred compensation plan and delivering financial information through the Indiana Transparency Portal.

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