

The Fiduciary Focus

Investment News From a Pro-Shareholder Perspective

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This Week: Europe's stock market crisis shows the power of American capitalism; ESG is down but not out; The Bitcoin Brief puts BlackRock fears to bed.

Europe's Stock Market Crisis Shows the Power of American Capitalism



Last week, the [Wall Street Journal](#) reported that America's stock-market dominance has become an "emergency" for Europe as companies and capital flee to the United States.

What's Going On:

- **Europe in retreat:** Only six companies have conducted IPOs in the UK this year, raising just \$208 million—the lowest in three decades. Across continental Europe, IPO values have nearly halved.
- **America in ascent:** U.S. fundraising, by comparison, is up 38% this year, hitting \$40 billion. Even EU-based companies like British chipmaker Arm and the Swedish "buy now, pay later" giant Klarna are choosing to list in New York over London or Frankfurt.
- **Shareholder capitalism wins:** Companies are voting with their feet. EU companies from sports-betting firm Flutter Entertainment to British payments company Wise and even AstraZeneca are all mulling moving their listings to the U.S., where valuations are substantially higher. The American S&P 500, for example, enjoy a forward-looking price to earnings ratio of 22 versus just 13 for London's FTSE 100.

Why It Matters: Europe pioneered capital markets but now suffers from the ill effects of stakeholder capitalism as excessive regulation and a worldview that places all stakeholders on equal footing have driven away the continent's most ambitious and successful businesses.

Strive's Take: America's embrace of free-market capitalism has fueled innovation, corporate growth, and wealth creation unmatched anywhere in the world. But Europe's decline is a warning: economic dominance is not a given. If the U.S. abandons shareholder primacy in favor of stakeholder agendas, it risks eroding the very engine of prosperity that draws companies around the world to our shores.

Dig Deep: Learn more about European stakeholder capitalism vs. American shareholder primacy by reading Strive's white paper [here](#).

In the 2025 Proxy Season, ESG Was Down But Not Out

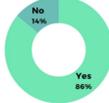


EY released a new [report](#) on the 2025 proxy season, and one thing remains clear: ESG may be down, but it's definitely not out.

Sustainability Is Still En Vogue: Despite growing backlash, EY found that 86% of Fortune 100 companies continue to tout sustainability efforts in the proxy, which they described as similar to recent years.

Sustainability Remains A Distraction

Percent of Fortune 100 companies that tout sustainability efforts in proxy statement



Source: Strive Asset Management. Data from: [https://www.ey.com/en-us/audit/2025/08/2025-proxy-season-review-full-report#esg](#)

A little over 10% of companies also have board-level sustainability committees which is also similar to last year's figures.

Overt DEI Is On The Decline: The report also finds that overt DEI is decreasing, but covert DEI may be on the rise:

- 76% of S&P 500 companies that tasked their compensation committees with DEI oversight in 2024 dropped that responsibility this year.
- Of the companies making the change, however, 17% still ask their compensation committees to oversee "inclusion," suggested a rebranding rather than complete abandonment of DEI in executive comp.
- In addition, while most asset managers have stopped announcing their diversity quotas for board members, they still appear to be enforcing them in practice, as they are twice as likely to vote against the nominating chair at companies with less diverse boards.

Hundreds of ESG Proposals: Companies are still fielding hundreds of ESG-related shareholder proposals, both from liberal and conservative groups, though they are enjoying less shareholder support than in years past.

The Bottom Line: ESG and DEI are certainly down from their 2020-2023 peak, but that doesn't mean they're gone for good. Companies are still focusing on "sustainability" and asset managers are still pushing diversity goals; figuring out who's doing what, however, has become a substantially more challenging task.

Truck Makers Caught in Climate Commitment Trap



Last week, the Department of Justice sued California over trucking emissions rules, putting manufacturers who made voluntary climate pledges in an awkward position, the [Wall Street Journal](#) reports.

Fill Me In:

- In 2023, several automakers agreed to join California's "Clean Truck Partnership," which required manufacturers to sell increasing numbers of electric trucks and cleaner diesel engines.
- California pressured companies to join by threatening to impose even more severe regulations, and forced companies to agree to a provision that they would abide by the agreement even if California had no legal authority to impose these regulations on automakers in the first place.
- In June, Congress stepped in to stop California from imposing these EV requirements on automakers, but California continues to insist they comply.
- Truck makers including Daimler and Volvo sued to escape the partnership, and now the federal government is suing California as well.

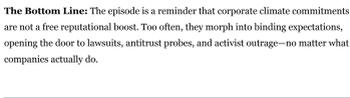
The Lawsuit: The Department of Justice's lawsuit alleges:

- that the California agreement "harms ordinary citizens from coast to coast by blocking the sale of fossil-fuel powered heavy-duty trucks, which are the lifeblood of interstate commerce,"
- that the lawsuit seeks to "promote consumer choice in motor vehicles," and
- that "the decision whether to ban internal-combustion engines in heavy-duty trucks ultimately rests with the federal government. And it has declined to take such a far-reaching step."

An Antitrust Angle: In addition to the Department of Justice suit, the Federal Trade Commission had been investigating the truck makers to determine whether their coordinated agreements to stop selling fossil-fuel vehicles constituted an antitrust violation. Now that the truck makers have made clear they want out of the California agreement, the FTC has dropped the probe.

A Self-Inflicted Wound: Environmentalists are now criticizing the automakers, not just for reneging on their agreement with California, but for failing to meet their own voluntary net zero pledges. The [New York Times](#), for instance, questioned why Daimler was suing California when the company itself has pledged to stop selling fossil-fuel cars by 2039.

The Bottom Line: The episode is a reminder that corporate climate commitments are not a free reputational boost. Too often, they morph into binding expectations, opening the door to lawsuits, antitrust probes, and activist outrage—no matter what companies actually do.



BlackRock Buys Billions, But Bitcoin Can't Be Captured

Last week, BlackRock crossed a major threshold: its digital asset holdings now exceed [\\$100 billion](#), with over 86% in Bitcoin. Through its exchange-traded fund, BlackRock controls more than 662,000 Bitcoin, about 3% of total supply, making it one of the largest holders in existence. Given the firm's history of using its financial heft to push social and political goals in corporate America, that number naturally raises questions. Could BlackRock use its position to reshape Bitcoin the way it's shaped the S&P 500? Or does its sheer size pose a different danger altogether?

Fortunately, the answer to both questions is "no."

The first concern is governance meddling. BlackRock has long [pressured](#) boards to pursue climate targets and workforce mandates, often at the expense of shareholders. One could imagine a similar push in Bitcoin—say, higher rewards for "green" miners or a tax on transactions funneled to social causes.

Similar efforts have been tried before. In 2022, [Greenpeace](#) launched a "Change the Code, not the Climate" campaign ([funded](#) by a rival cryptocurrency company) calling for Bitcoin to abandon Proof-of-Work in favor of a Proof-of-Stake mechanism to reduce energy usage, despite the drawbacks of the latter system. That effort failed spectacularly. As one analyst [explained](#), "The decentralized nature of Bitcoin meant that attempts to shame corporations into compliance were largely ineffective."

BlackRock's attempts would likely meet the same fate. Even if BlackRock owned 99% of Bitcoin, it would still need the thousands of independent node operators and miners to change the protocol. Given that Bitcoin was engineered precisely to stop the kind of top-down control BlackRock practices elsewhere, such requests are doomed to fail.

The second concern is self-off risk. In traditional markets, a large holder can tank prices simply by dumping shares. But here, BlackRock's position is modest: just 3% of supply, smaller than its stake Apple (7.7%), Nvidia (7.8%) and Exxon (7.2%).

More importantly, BlackRock isn't an active Bitcoin trader. Nearly all of its Bitcoin sits in a passive ETF whose objective is simply "to reflect generally the performance of the price of bitcoin." That makes these holdings closer to deposits in a vault than chips on a casino table. The chance of a destabilizing fire sale is vanishingly low.

If anything, BlackRock's foray has strengthened Bitcoin's footing by legitimizing the asset and spurring competition. Its ETF launch pushed rivals like Fidelity and Invesco to roll out their own products, widening investor access, lowering fees, and further pushing Bitcoin into the mainstream of traditional finance. Far from being a monopolist, BlackRock's presence has invited others to the table—proof that even Wall Street giants cannot capture Bitcoin for themselves.

So while Strive will never endorse BlackRock's corporate crusades, its Bitcoin holdings don't keep us awake at night. In fact, this is one concern we're happy to put to bed.



Strive's Matt Cole to Speak at Bitcoin Asia

Bitcoin Asia just got even bigger for Strive. CEO Matt Cole will share the stage with global Bitcoin leaders on the Nakamoto Stage, offering Strive's perspective on one of the most debated topics in corporate finance today: how to value Bitcoin treasury companies.

[Learn More](#)

The Best of The Rest

Additional stories about ESG investing, company happenings, and more.

- [France tells citizens to sweat the heat to fight climate change](#); advises Paris residents to use fans unless elderly or unable to open windows, and even then, air condition just one room no lower than 78 degrees.
- [New York proposes .2% tax on all crypto transactions](#); the bill, if passed, would tax all sales and transfers, taking effect September 1.
- [Investments in Israeli companies face ongoing scrutiny](#) amid the war in Gaza, as European fund managers weigh whether to reduce or defend their investments in the region.
- [Nvidia finds itself in the middle of the US-China trade war](#); the stakes are high for the \$4.4 trillion chipmaker, as it seeks to reenter Chinese market.
- [BlackRock's Larry Fink appointed co-chair of World Economic Forum](#), surprising observers who believed BlackRock was at least superficially retreating from stakeholder capitalism.
- [DOJ's pledge to uphold civil rights laws increases corporate DEI risks](#) as Attorney General warns that using "diversity slates" for hiring likely violates federal law.

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Who Are We?

Strive is one of the fastest growing asset management firms. Our mission is to maximize value for our clients by leading companies to focus on excellence. [Click here](#) to learn more.

What Makes Strive Different?

While many asset managers push companies to focus on other stakeholders such as employees, suppliers, the environment and society at large, we live by a strict commitment to shareholder primacy—the belief that the purpose of a for-profit corporation is to maximize long-run value for investors. [Click here](#) to learn why shareholder primacy is so important.

How Does Strive Maximize Value?

Our corporate governance team engages with the companies in which our clients are invested to advocate for the pursuit of excellence in corporate America. We are aggressively apolitical when it comes to utilizing our corporate governance tools and demand that companies focus exclusively on delivering long-term financial value for investors. The corporate governance team also determines how to cast our shareholder votes at annual meetings and special elections, evaluating each proposal through the lens of maximizing financial return.

Our research team conducts deep analysis of macro economic trends, market developments, and industry- and company-specific metrics to identify potential risks and opportunities for our clients. We then incorporate the results of this research into our engagement and voting strategy, and share it with our clients in the form of white papers and market research reports so they can make the most educated investment decisions possible.

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