

Making sustainability our standard

**BlackRock Australia Wealth
Sustainable Investing Product Guide**



What is sustainable investing?

Sustainable investing is about investing in progress and recognizing that companies solving the world's biggest challenges may be best positioned to grow. It is about pioneering better ways of doing business, and creating the momentum to encourage more and more people to opt in to the future we're working to create¹.

We view sustainable investing as the combination of traditional investment approaches with environmental, social and governance (ESG) insights to mitigate risk and enhance long-term return². **ESG insights reveal risks and opportunities that aren't typically captured in traditional financial analysis**, meaning investors no longer need to choose between purpose and performance.

Breaking down the three pillars of ESG

Environmental

Climate change, natural resources, pollution and waste, environmental opportunities

Social

Human capital, product liability, stakeholder opposition, social opportunities

Governance

Corporate governance, diversity, corporate behaviour, transparency

Source:

1 <https://www.blackrock.com/us/individual/investment-ideas/sustainable-investing>

2 <https://www.blackrock.com/corporate/literature/publication/blk-sustainability-mission-statement-web.pdf>

Why BlackRock for Sustainable Investing?



We focus on the long-term sustainability of our own firm

BlackRock is committed to using our resources responsibly to support the long-term sustainability of our firms and of the global environment in which we and our clients live and operate.

The long-term sustainability of our firm is heavily dependent on our people. We are committed to fostering a unifying culture, ensuring we are developing, retaining and recruiting the best talent and incorporating inclusion and diversity into all levels of our business.

As vocal advocates for the adoption of sound corporate governance policies, we have implemented such a framework for BlackRock.



We are experts in sustainable investing

BlackRock is committed to being an industry leader in sustainable investing.

We provide sustainable solutions and insights across our entire organisation, enabling investors to take a total-portfolio approach to sustainable investing.



We engage with companies to drive sustainability

As described by BlackRock CEO Larry Fink in his letter to CEOs, BlackRock has a fiduciary responsibility to engage with companies and encourage their consideration of ESG matters.

Global investment stewardship with local presence

BlackRock's purpose is to help more and more people experience financial well-being.

BlackRock Investment Stewardship contributes to this purpose by monitoring and engaging with companies to encourage them to adopt business practices consistent with sustainable long-term value creation.

As the largest stewardship team in the industry, our globally coordinated team has a local presence, which enables us to better understand the content within which a company is operating.

BlackRock Investment Stewardship's Key Responsibilities are to:



Engage with company leadership and vote on proxies to maximise long-term value for our clients.



Encourage business and management practices that in our experience support sustainable financial performance over the long term.



Work with BlackRock's various investment teams to provide insight on environmental, social, and governance (ESG) considerations.



Engage with clients to build understanding of our work and how it aligns with their objectives.



Participate in market level dialogue to understand and contribute to the development of policies and practices that support sustainable long-term value creation

At BlackRock, there are four ways to access sustainable investments for your portfolio

Screened Investing

Eliminate exposures to companies or sectors that pose certain risks or violate an investor's values.

Indicative Example: Screening out companies involved in fossil fuels, firearms or tobacco from a portfolio.

ESG Investing

Evaluate companies based on their environmental, social and governance business practices to identify risks and opportunities.

Indicative Example: Selecting companies with higher ESG performance across broad market exposures.

Thematic Investing

Focus on a particular environmental, social or governance issue.

Indicative Example: Targeting clean energy companies or companies promoting gender equality.

Impact Investing

Seek to achieve a measurable sustainable outcome alongside a financial return.

Indicative Example: Investing in green bonds that finance environmental projects like new solar panels.

Explore our range of screened Australian Sustainable products

ASSET CLASS	FUND NAME	SCREEN	FUND OBJECTIVE
Australian Equities	BlackRock Advantage Australian Equity Fund	Baseline –	Aims to achieve superior investment performance through providing returns that exceed those of the S&P/ASX 300 Accumulation Index by 2.20% p.a., after fees, over rolling 3-year periods, while maintaining a similar level of investment risk to the Index.
International Equities	BlackRock Advantage International Equity Fund	Baseline –	Aims to outperform the MSCI World ex-Australia Net TR Index (unhedged in AUD) by 2% p.a. over rolling 3-year periods (net of fees), while maintaining a similar level of investment risk to the Index.
	BlackRock Advantage Hedged International Equity Fund	Baseline –	Aims to outperform the MSCI World ex-Australia Net TR Index (hedged in AUD) by 2% p.a. over rolling 3-year periods (net of fees and before the cost of hedging), while maintaining a similar level of investment risk to the Index.
Australian Fixed Income	iShares ESG Australian Bond Index Fund*	Baseline +	Aims to match the performance of a customised Bloomberg Barclays MSCI Australian Socially Responsible (SRI) and ESG-weighted Index before fees.
International Fixed Income	iShares ESG Global Bond Index Fund*	Baseline +	Aims to provide investors with the performance of the custom benchmark, before fees, less interest, withholding taxes and the cost of currency hedging, as measured by the return of the Bloomberg Barclays MSCI Global Aggregate SRI Select ex-Fossil Fuels index (AUD hedged) (Index). The benchmark also excludes treasury and government-related issuers with an MSCI ESG government rating below “BB”.
Multi-Asset Class	BlackRock Diversified ESG Growth Fund ^	Baseline – ^	Seeks to meet its investment objective while taking into account the principles of ESG focused investing. This will be achieved via both ESG integration and the application of negative screens that excludes controversial sectors from the portfolio.

■ Index tracking strategy ■ Actively managed

^ May screen out additional sectors, depending on underlying fund allocations

* Not currently available on retail platforms. Please speak to your BlackRock representative for more information.

BlackRock Baseline +: Alcohol, Gambling, Adult Entertainment, GMO, UNGC violators

BlackRock Baseline Screens: Tobacco, Controversial Weapons, Nuclear Weapons, Fossil Fuels, Civilian Firearms

BlackRock Screen -: Tobacco, Controversial Weapons, Nuclear Weapons only

Explore our range of screened Australian Sustainable products

ASSET CLASS	FUND NAME	SCREEN	FUND OBJECTIVE
Multi-Asset Class	BlackRock Diversified ESG Stable Fund ^	Baseline – ^	Seek to meet its investment objective while taking into account the principles of ESG focused investing. This will be achieved via both ESG integration and the application of negative screens that excludes controversial sectors from the portfolio.
	BlackRock Growth Multi-Index Fund*^	Baseline –	Aims to provide investors with the performance of its composite benchmark, before fees and the cost of hedging. The composite benchmark comprises a portfolio of published indices that provide exposure to a range of domestic and global asset classes, consistent with a 70:30 Growth strategic asset allocation.
	BlackRock Moderate Multi-Index Fund*^	Baseline –	Aims to provide investors with the performance of its composite benchmark, before fees and the cost of hedging. The composite benchmark comprises a portfolio of published indices that provide exposure to a range of domestic and global asset classes, consistent with a 30:70 Moderate strategic asset allocation.
	BlackRock Balanced Multi-Index Fund*^	Baseline –	Aims to provide investors with the performance of its composite benchmark, before fees and the cost of hedging. The composite benchmark comprises a portfolio of published indices that provide exposure to a range of domestic and global asset classes, consistent with a 50:50 Balanced strategic asset allocation.
	BlackRock High Growth Multi-Index Fund*^	Baseline –	The Fund aims to provide investors with the performance of its composite benchmark, before fees and the cost of hedging. The composite benchmark comprises a portfolio of published indices that provide exposure to a range of domestic and global asset classes, consistent with a 85:15 High Growth strategic asset allocation.
	BlackRock Conservative Multi-Index Fund*^	Baseline –	The Fund aims to provide investors with the performance of its composite benchmark, before fees and the cost of hedging. The composite benchmark comprises a portfolio of published indices that provide exposure to a range of domestic and global asset classes, consistent with a 15:85 Conservative strategic asset allocation.

■ Index tracking strategy ■ Actively managed

^ May screen out additional sectors, depending on underlying fund allocations

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BlackRock Baseline +: Alcohol, Gambling, Adult Entertainment, GMO, UNGC violators

BlackRock Baseline Screens: Tobacco, Controversial Weapons, Nuclear Weapons, Fossil Fuels, Civilian Firearms

BlackRock Screen -: Tobacco, Controversial Weapons, Nuclear Weapons only

Explore our range of ESG integrated+ products

At BlackRock, we define ESG integration as the practice of incorporating material environmental, social, and governance information into investment decisions in order to enhance risk-adjusted returns. ESG integration is relevant for all asset classes and styles of portfolio management, public and private markets, and alpha-seeking and index strategies.

For index strategies, where BlackRock portfolios aim to track the benchmark index, our engagement with portfolio companies is the mechanism by which we can integrate sustainability insights consistent with our fiduciary role as a long-term investor. In alpha-seeking strategies, we can use ESG information when conducting research and due diligence on new investments, and again when monitoring investments in a portfolio.

ASSET CLASS	FUND NAME	FUND OBJECTIVE
Australian Equities	iShares Australian Equity Index Fund	The Fund aims to provide investors with the performance of the market, before fees, as measured by the S&P/ASX 300 Accumulation Index.
	BlackRock Concentrated Industrial Long Short Fund*	The Fund aims to deliver returns that are 5% to 7% per annum above those of the S&P/ASX 300 Industrials TR Index, before fees, over rolling 3-year periods.
	BlackRock Concentrated Industrial Share Fund	The Fund aims to deliver returns that are 4-6% (before fees) p.a. above those of the S&P/ASX 300 Industrials Accumulation Index ex top 5 stocks by market capitalization (Benchmark) over rolling 3-year periods.
International Equities	iShares International Equity Index Fund	The Fund aims to provide investors with the performance of the market, before fees, as measured by the MSCI World ex Australia IndexSM (unhedged in AUD with net dividends reinvested).
	iShares Hedged International Equity Index Fund	The Fund aims to provide investors with the performance of the market, before fees and the cost of hedging, as measured by the MSCI World ex Australia IndexSM (hedged in AUD with net dividends reinvested).
	iShares All-Country Equity Index Fund*	The Fund aims to provide investors with the performance of the market, before fees, as measured by the MSCI All-Country World Investible Market Index (unhedged in AUD with net dividends reinvested).
	BlackRock Global Allocation Fund (Australia)	The Fund aims to provide high total investment return through a fully managed investment policy utilising international equity securities, debt and money market securities, the combination of which will be varied from time to time both with respect to types of securities and markets in response to changing market and economic trends.

■ Index tracking strategy ■ Actively managed

+ ESG Integration is an investment process enhancement implemented in portfolios across the firm –not just within dedicated ESG products or portfolios.

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Explore our range of ESG integrated+ products

ASSET CLASS	FUND NAME	FUND OBJECTIVE
Property & Alternatives	BlackRock Appreciation Strategies Fund* (Australia)	The Fund aims to seek, over time, to achieve net returns commensurate with the long run return on public equities with half the volatility of and low beta to the public equity markets
	BlackRock Multi Opportunity Absolute Return Fund	The Fund aims to achieve a return of 8% p.a., before fees, above the RBA Cash Rate Target over rolling 3-year periods. The Fund will aim to achieve its investment objective by targeting a total expected risk of between 4%-6% p.a. over the same rolling 3-year period.
	BlackRock Global Multi Asset Income Fund (Australia)	The Fund seeks to provide regular income at an attractive yield while preserving capital. Through a globally diversified portfolio of income generating assets, it offers investors a balance between the income they receive and the risk they take to get it.
Multi-Asset Class	BlackRock Global Equity Signals Fund*	The Fund aims to provide investors with the performance of its composite benchmark, before fees and the cost of hedging. The composite benchmark comprises a portfolio of published indexes that provide exposure to international developed stock markets. The composite benchmark index is subject to periodic review and may change.
Australian Fixed Income	iShares Australian Bond Index Fund	The Fund aims to provide investors with the performance of the market, before fees, as measured by the Bloomberg AusBond Composite IndexSM.
International Fixed Income	BlackRock Wholesale International Bond Fund	The primary aim of the Fund is to generate capital and income return for those investors seeking exposure to international fixed income markets, including Australia. We aim to outperform the Barclays Global Aggregate 500 Index (hedged in AUD) over rolling three year periods.
	iShares Global Bond Index Fund	The Fund aims to provide investors with the performance of the market, before fees less interest withholding taxes and the cost of currency hedging, as measured by the Barclays Global Aggregate Index (hedged in AUD with net dividends reinvested).

■ Index tracking strategy
 ■ Actively managed

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Appendix

Sustainable Investing Product Range: Platform Availability

	Australian Equities			International Equities	
	Advantage Australian Equity Fund	Concentrated Industrial Share Fund	Global Equity Signals Fund	Advantage International Equity Fund	Advantage Hedged International Equity Fund
APIR Code	BAR0814AU	BLK0012AU	BLK5937AU	BAR0817AU	BGL0109AU
North	•			•	•
MyNorth	•			•	•
IOOF Pursuit Select	•			•	•
PortfolioOne	•			•	•
Grow Wrap				•	
OneAnswer	•			•	
Macquarie Super	•	•	•	•	•
Macquarie IDPS	•	•	•	•	•
Macquarie Manager/Consolidator	•	•	•	•	•
Macquarie Accumulator	•	•		•	•
First Wrap Plus Super	•	•	•		
First Wrap Plus Investments	•	•	•		
Asgard	•	•		•	•
BT Wrap	•	•		•	•
BT Panorama	•	•		•	•
BT Wholesale Plus					
MLC Wrap - IDPS	•	•		•	•
MLC Wrap - Super	•			•	•
MLC Navigator	•	•		•	•
netwealth Super	•	•		•	•
netwealth IDPS	•	•	•	•	•
HUB24 Core					
HUB24 Choice	•	•	•	•	•
Praemium IDPS		•			
Praemium Super		•			

Sustainable Investing Product Range: Platform Availability

APIR Code	Multi-Asset Strategy				
	Diversified ESG Stable Fund	Global Allocation Fund (Class D)	Diversified ESG Growth Fund	Tactical Growth Fund	Global Multi-Asset Income Fund
	BAR0811AU	MAL0018AU	BAR0813AU	PWA0822AU	BLK0009AU
North	•	•	•	•	•
MyNorth	•	•	•	•	•
IOOF Pursuit Select	•	•	•	•	
PortfolioOne			•	•	
Grow Wrap				•	
OneAnswer			•	•	
Macquarie Super	•	•	•	•	•
Macquarie IDPS	•	•	•	•	•
Macquarie Manager/Consolidator	•	•	•	•	•
Macquarie Accumulator	•	•	•	•	
First Wrap Plus Super		•		•	
First Wrap Plus Investments		•		•	
Asgard	•	•	•	•	
BT Wrap	•	•	•	•	•
BT Panorama	•	•	•	•	•
BT Wholesale Plus					
MLC Wrap - IDPS		•		•	
MLC Wrap - Super		•		•	
MLC Navigator		•		•	
netwealth Super	•	•	•	•	•
netwealth IDPS	•	•	•	•	•
HUB24 Core					
HUB24 Choice	•	•	•	•	•
Praemium IDPS		•			
Praemium Super		•			

	Alternatives		Fixed Income	
	Multi Opportunity Absolute Return Fund	Style Advantage Fund	Wholesale International Bond Fund	Fixed Income Global Opportunities Fund
APIR Code	BLK0001AU	BLK0019AU	PWA0825AU	BLK0003AU
North	•		•	
MyNorth	•		•	
IOOF Pursuit Select			•	
PortfolioOne				
Grow Wrap				
OneAnswer				
Macquarie Super	•			
Macquarie IDPS	•			
Macquarie Manager/Consolidator	•			
Macquarie Accumulator				
First Wrap Plus Super	•			
First Wrap Plus Investments	•			
Asgard	•		•	
BT Wrap	•		•	
BT Panorama	•		•	
BT Wholesale Plus		•		
MLC Wrap - IDPS			•	
MLC Wrap - Super			•	
MLC Navigator			•	
netwealth Super	•		•	•
netwealth IDPS	•		•	•
HUB24 Core				
HUB24 Choice	•		•	•
Praemium IDPS				
Praemium Super				

Sustainable Investing Product Range: Platform Availability

APIR Code	Index Funds					
	iShares Global Bond Index Fund	iShares Australian Equity Index Fund	iShares International Equity Index Fund	iShares Australian Bond Index Fund	iShares Australian Listed Property Index Fund	iShares Hedged International Equity Index Fund
	BGL0008AU	BGL0034AU	BGL0106AU	BGL0105AU	BGL0108AU	BGL0044AU
North						
MyNorth	•	•	•	•	•	
IOOF Pursuit Select		•		•	•	•
PortfolioOne						
Grow Wrap						
OneAnswer						
Macquarie Super		•	•	•	•	•
Macquarie IDPS		•	•	•	•	•
Macquarie Manager/Consolidator						
Macquarie Accumulator						
First Wrap Plus Super						
First Wrap Plus Investments						
Asgard	•	•	•	•	•	•
BT Wrap	•	•	•	•	•	•
BT Panorama	•	•	•	•	•	•
BT Wholesale Plus						
MLC Wrap - IDPS	•	•	•		•	•
MLC Wrap - Super	•	•	•		•	•
MLC Navigator	•					
netwealth Super	•	•	•	•	•	•
netwealth IDPS	•	•	•	•	•	•
HUB24 Core						
HUB24 Choice	•	•	•	•	•	•
Praemium IDPS	•	•	•	•	•	•
Praemium Super	•	•	•	•	•	•

Want to know more?

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