

BGF Sustainable Global Allocation Fund – Engagement Summary Report – Jan 01, 2024 to Nov 30, 2024		
Portfolio covered: GAFOESG		
Total companies in portfolio (as of 11-29-2024)	507	
	Number	%
Total company engagements	422	
Number of individual companies engaged	271	53%
Number of companies with multiple engagements	92	34%
(of individual companies where we held multiple engagements over the course of the reporting period)		
Engagements by region*		
Americas	195	46%
EMEA	134	32%
APAC	93	22%
Engagement themes*		
Governance	394	93%
Social	164	39%
Environmental	132	31%
Engagement topics*		
E-Biodiversity	22	5%
E-Climate Risk Management	121	29%
E-Deforestation/Land Use	6	1%
E-Environmental Impact Management	0	0%
E-Operational Sustainability	0	0%
E-Other company impacts on the environment	25	6%
E-Water and Waste	24	6%
G-Board Composition and Effectiveness	181	43%
G-Board Gender Diversity	20	5%
G-Business Oversight/Risk Management	134	32%
G-Corporate Strategy	190	45%
G-Executive Management	85	20%
G-Governance Structure	83	20%
G-Other	33	8%
G-Remuneration	163	39%
G-Sustainability Reporting	77	18%
S-Business Ethics and Integrity	8	2%
S-Community relations	6	1%
S-Diversity and Inclusion	32	8%
S-Health and Safety	24	6%
S-Human Capital Management	88	21%
S-Indigenous Peoples Rights	2	0%
S-Other company impacts on people/human rights	11	3%
S-Other Human Capital Management issues	7	2%
S-Privacy and Data Security	13	3%
S-Social Risks and Opportunities	49	12%
S-Supply Chain Labour Management	16	4%

*Engagements include multiple company meetings during the year with the same company. Most engagement conversations cover multiple topics based on our vote guidelines and our engagement priorities found here: <https://www.blackrock.com/corporate/about-us/investment-stewardship#engagement-priorities>.

On August 5th, 2022, BIS increased the level of detail reported on certain engagement topics captured while discontinuing other sub-topics that were seldom used. This provides more relevant information and further transparency to our clients. The report now reflects the improved transparency in any engagement post August 5, 2022.

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MKTG0926-M-5918651-EXP0927-5/11

MKTG0926-M-5918651-EXP0927-10/11

Blackrock Investment Stewardship Engagement Priorities

Each year we prioritize our work around engagement themes to encourage sound governance practices and deliver sustainable long-term financial performance for clients. Our approach emphasizes direct dialogue with companies.

Board Quality and Effectiveness - Quality leadership is essential to performance. Board composition, effectiveness, diversity and accountability remain top priorities
Strategy Purpose and Financial Resilience - A purpose driven long-term strategy, underpinned by sound capital management, supports financial resilience
Incentives Aligned with Value Creation - Appropriate incentives reward executives for delivering sustainable long-term value creation
Climate and Natural Capital - Climate action plans with targets advance the transition to a low carbon economy. Managing natural capital dependencies and impacts through sustainable business practices
Company Impacts on People - Sustainable business practices create enduring value for all key stakeholders

Read more about our enaqement priorities and key performance indicators here: <https://www.blackrock.com/corporate/about-us/investment-stewardship#enqaement-priorities>
Read more about our engagements in our annual stewardship report and our voting spotlight report: <https://www.blackrock.com/corporate/about-us/investment-stewardship#engagement-and-voting-history>

Blackrock Investment Stewardship Engagement Topic Overview

On August 5th, 2022, BIS increased the level of detail reported on certain engagement topics captured while discontinuing other sub-topics that were seldom used. This provides more relevant information and further transparency to our clients. The report now reflects the improved transparency in any engagement post August 5, 2022.

	Board Composition & Effectiveness Skills, Diversity, Independence, Mix of tenures/ Refreshment strategy, Presence of appropriate committees, Attendance, Over-commitment, External evaluation and Board dynamics	Board Gender Diversity Gender diversity, gender diversity targets, recruitment, board diversity succession planning	Business Oversight/Risk Management Process for identifying, monitoring, disclosing, managing key risks, Responsiveness to shareholders on material risks to the business Handling of past and current controversies (business track record), Process for assessing robustness of risk disclosure	Corporate Strategy Board and Management attention to, and oversight of, strategic direction, Capital Management (how company ensures proper capital issuance and allocation), Articulation of purpose-driven strategy and plan to achieve it, Culture/ employee connection to purpose, Articulation of M&A opportunities	Executive Management CEO and C-Suite succession planning, Management turnover/sudden departures, Management track record & oversight of strategy, Quality of management (right people in terms of skill sets and experience to execute the strategy)	Governance Structure Major or majority ownership/shareholder structure, M&A, Capital issuances	Other Governance Related Issues Bribery and Corruption Prevention, Disclosure Anti-Bribery Policy, Issues relating to global norms controversies	Remuneration Alignment of Pay and Performance, Stock ownership plans and requirements (how paid out), Sound compensation structure in Industry/ and relative to peers, Director compensation and stock ownership requirements, Alignment of pay across employee levels (working towards same goals) Median pay/Gender Parity	Sustainability Reporting Publish Sustainability Report, Disclose TCFD report	
Social	Community Relations Community Relations, Social License to Operate	Diversity and Inclusion Recruit, retain, and develop diverse talent, Inclusive workplace environment for all underrepresented groups	Health and Safety Worker health and Safety, Safety management plans, Workplace wellness programs	Human Capital Management Recruitment (sourcing, efficiency), Training, re-training, and development, Diversity and Inclusion, Employee engagement (e.g., surveys, Participation in employee networks, Process for addressing feedback), Workforce compensation	Indigenous Peoples Rights Human Rights, Protection of cultural heritage sites and local communities, Access to resources and/or compensation in the event of displacement or destruction	Other Company Impacts on People/Human Rights Issues relating to global norms controversies, Impact on local communities, Stakeholder health and wellbeing; AMR	Other Human Capital Management Issues Human Capital Management issues relating to global norms controversies	Privacy and Data Security Risk management and oversight, Data privacy management, Policy development and disclosure, Employee training and incident response planning, Crisis preparedness (i.e. activism defense, cyber war games)	Social Risks and Opportunities Human Rights (i.e. preventing human trafficking) Access to Products, Geopolitical Risk/Relations with States/Countries/Regulatory bodies, Product Safety/Supply Chain oversight	Supply Chain Labour Management Supplier due diligence, policy management, risk oversight, reputational risk assessment
Environment	Biodiversity Company impact on native species, their environment, and migratory patterns	Climate Risk Management Robustness and Materiality of Disclosure (alignment with TCFD), Transition risk (e.g. pace of change to low carbon economy), Physical Risk Assessment (vulnerability of the business), Capex Spend/R&D in clean energy, GHG/Methane Reduction Targets	Land Use/Deforestation Palm Oil, Deforestation-free supply chain management, Commodity-driven deforestation, Deforestation exposure, Loss to disputed land use	Environmental Impact Management Packaging, Product life cycle management, Pollution Management (impact on water quality), Air quality (non-GHGs), Hazardous waste spills	Operational Sustainability Company efforts to diminish environmental impact and improve resource efficiency in their ongoing operations	Other Company Impacts on the Environment Energy efficiency, Product offerings (opportunities), issues related to global norms controversies, company efforts to diminish environmental impact and improve resource efficiency in their ongoing operations, air quality (non-GHGs)	Water and Waste Waste management, Water management, Packaging, Product life cycle management, Pollution Management, hazardous waste spills			