

BlackRock®

2025 Climate and Decarbonization Stewardship Summary

Engagement and voting activities

BlackRock Investment Stewardship

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Important notes



At BlackRock, investment stewardship is core to our role as an asset manager and a fiduciary to our clients. BlackRock offers a range of investment stewardship options to reflect clients' individual investment choices and goals.

BlackRock Investment Stewardship (BIS) is responsible for stewardship activities in relation to clients' assets invested in index equity strategies.¹ As of June 30, 2025, clients held \$6.9 trillion in public equity assets under management (AUM), with approximately 90% invested in index equity strategies.² BIS' Benchmark Policies take a financial materiality-based approach and are focused solely on advancing clients' financial interests. Clients representing approximately three quarters of public equity AUM entrust BIS to apply the Benchmark Policies.³

BlackRock recognizes that different clients have different investment objectives and preferences. In addition to our Benchmark Policies, BlackRock offers BlackRock Voting Choice and the Climate and Decarbonization Stewardship program. This report provides an overview of engagement and voting activities by the dedicated team for the Climate and Decarbonization Stewardship program — and the applicable proxy voting Guidelines — during its first year of operation, representing \$158 billion of client index equity AUM, or approximately 2% of our clients' total public equity AUM.⁴ Engagement activities reflect the period from October 1, 2024, through June 30, 2025. Voting activities reflect the period from January 1, 2025, through June 30, 2025.

The Climate and Decarbonization Stewardship Guidelines do not influence voting decisions on behalf of clients made under the BIS Benchmark Policies.

Setting, executing, and overseeing strategy are the responsibility of management and the board. As one of many minority shareholders on behalf of clients, BlackRock does not direct a company's strategy or its implementation. BIS does not act collectively with other shareholders or organizations in voting shares and does not follow any proxy research firm's voting recommendations. BIS does not disclose our vote intentions in advance of shareholder meetings as we do not see it as our role to influence other investors' proxy voting decisions. In addition, BlackRock does not file shareholder proposals or nominate directors for election to a company's board.^{5, 6}

Currency is shown in USD. Information included in this summary is subject to change without notice. As a result, subsequent materials and publications distributed may include additional information, updates, and modifications, as appropriate. The information herein must not be relied upon as a forecast, research, or investment advice. BlackRock is not making any recommendation or soliciting any action based upon this information and nothing in this document should be construed as constituting an offer to sell, or a solicitation of any offer to buy, securities in any jurisdiction to any person.

References to individual companies are for illustrative purposes only. For more information, contact the BIS team at contactstewardship@blackrock.com.

¹ As of January 1, 2025, BlackRock's stewardship policies are developed and implemented separately by BIS and BlackRock Active Investment Stewardship (BAIS). BAIS partners with BlackRock's active investment teams in relation to their holdings. While the two teams operate independently, their approaches are each grounded in widely recognized norms of corporate governance and shareholder rights and responsibilities. This report does not cover BAIS' activities. ² Source: BlackRock, Inc. Estimate based on figures reported in BlackRock Inc.'s financial results as of June 30, 2025, which indicated that approximately 50% of total equity AUM was held in iShares ETFs, and a further 39% of total equity AUM was invested in index strategies on behalf of institutional clients. See: "BlackRock's Q2 2025 Quarterly Results." ³ Balance of client AUM voted through Voting Choice, the Climate and Decarbonization Stewardship program, and BAIS. ⁴ AUM includes in-scope index equity funds and separately managed accounts where proxy voting is administered by BIS as of June 30, 2025. BAIS separately administers proxy voting activities for its respective in-scope strategies. The total program applying the Guidelines represents \$203 billion of client AUM, or approximately 3% of our clients' total public equity AUM. ⁵ BlackRock is subject to certain rules, regulations, and agency requirements that place restrictions and limitations on how BlackRock can interact with the companies in which we invest on behalf of our clients, including our ability to submit shareholder proposals or nominate directors for election to the board. Non-compliance with these requirements could adversely affect BlackRock's ability to serve its clients' interests. ⁶ BlackRock conducts our stewardship activities independently from other investors. We have made it clear publicly that we do not coordinate our votes or investment decisions on behalf of clients with any external group or organization. We do not make commitments that constrain our ability to invest our clients' money on their behalf consistent with their objectives. Similarly, we do not make any commitments or pledges that would interfere with our independent determination on how to engage with issuers and vote proxies in the long-term financial interests of our clients. BlackRock joins and leaves many working groups and initiatives based on their relevance to our business needs and their effectiveness in supporting our clients' interests.

Stewardship for climate and decarbonization-focused funds



Some of our clients are pursuing decarbonization as an investment objective, including many of our largest European clients, who have made net zero commitments.¹ To support our clients' unique and varied investment objectives, BlackRock offers a wide range of investment products and strategies that our clients may choose from, including those with explicit decarbonization or climate-related investment objectives.

In July 2024, we launched the **Climate and Decarbonization Stewardship program**, and the applicable proxy voting guidelines (**Guidelines**).

The Guidelines only apply to those funds that BlackRock offers to clients that have climate and decarbonization objectives and where the funds' respective governing body has explicitly approved the application of the Guidelines.² A dedicated team administers the Guidelines on behalf of in-scope funds globally. Separately managed account (SMA) clients have several stewardship options, including instructing BlackRock to apply the Guidelines to their SMA holdings.

Total funds and SMAs that have chosen to apply the Guidelines represent \$158 billion of clients' index equity assets under management (AUM), or approximately 2% of our clients' total public equity AUM.³

In October 2024, the dedicated team began engaging with companies. In January 2025, it started applying the Guidelines to voting decisions on behalf of in-scope funds and SMAs that have instructed BlackRock to do so.

How the Guidelines work

The Guidelines set out the team's approach to voting at companies' shareholder meetings on behalf of funds and SMAs with explicit decarbonization or climate-related investment objectives, and, when appropriate, engagement with company leadership to inform voting on clients' behalf.

In addition to financial considerations, and in alignment with the investment objective of each fund or account that has selected the Guidelines, the team considers companies' strategies to align with a transition to a low-carbon economy that would limit average global temperature rise to 1.5°C above pre-industrial levels.

The research that informs the team's work

Some of our clients are interested in investing in the transition to a low-carbon economy and understanding its corresponding risks and opportunities. For these clients, BlackRock has developed the BlackRock Investment Institute Transition Scenario (BIITS) powered by Aladdin® technology.⁴

The Guidelines draw from the proprietary insights generated by BIITS, Aladdin Climate®, BlackRock's Risk and Quantitative Analysis Group, and the broader BIS team to help inform and guide its engagement and voting activities on behalf of clients invested in the funds and SMAs in scope of the Guidelines.⁵ In doing so, the dedicated team applies a sectoral approach that acknowledges the unevenness of the low-carbon transition. The team considers that sectors and markets can decarbonize at varying speeds given the dynamic and uncertain nature of technological feasibility, consumer demand, and government policies, among other factors.⁶

¹ Includes a select group of our largest client relationships. Net zero commitments are sourced from the Glasgow Financial Alliance for Net Zero website and respective company websites, as of January 2025. ² A list of approved funds is on BlackRock's website [here](#). ³ AUM includes in-scope index equity funds and SMAs where proxy voting is administered by BIS as of June 30, 2025. BAIS separately administers proxy voting activities for its respective in-scope strategies. The total program applying the Guidelines represents \$203 billion of client AUM, or approximately 3% of our clients' total public equity AUM. ⁴ BIITS is a research-based, analytical forecast of how the low-carbon transition is most likely to play out based on what we know and expect today. ⁵ Aladdin® Climate is a suite of climate analytics including forward-looking scenario analysis and net zero alignment analytics. Aladdin® is a proprietary investment and risk management platform. ⁶ BII's latest research shows that while decarbonization continues, its pace is increasingly uneven across sectors and regions, and overall slower than previously expected.

By the numbers



The Guidelines' approach to stewardship

The Guidelines' approach to company engagements and proxy voting considers both financial performance and decarbonization objectives, consistent with participating funds' and accounts' investment objectives. In practice, the dedicated team's assessment under the Guidelines reflects:

- A sectoral approach to analysis that acknowledges the unevenness of the low-carbon transition across sectors and markets.
- A long-term, pragmatic approach that favors a transition that minimizes disruption to the particular company and its key stakeholders.
- A focus on useful, contextualized disclosures that help inform investors' views, while recognizing data limitations.
- The consistency with the participating clients' position as minority investors — a company's board and executive leadership determine its strategy and its implementation.

\$158 billion

of clients' index equity AUM globally are in scope of the Guidelines (2% of our clients' total public equity AUM).¹

137

companies engaged globally, primarily operating in the energy, materials, industrials, and financials sectors.²

5,662

companies held by funds and SMAs that have selected the Guidelines and conducted a shareholder meeting.³

124

companies globally received a vote against management proposals for climate reasons.⁴

41

shareholder proposals supported (out of 306) focused on climate and natural capital, and company impacts on people.⁵

¹ AUM includes in-scope index equity funds and SMAs where proxy voting is administered by BIS as of June 30, 2025. BAIS separately administers proxy voting activities for its respective in-scope strategies. The total program applying the Guidelines represents \$203 billion of client AUM, or approximately 3% of our clients' total public equity AUM.

² Source: BlackRock. Sourced on August 15, 2025, reflecting data from October 1, 2024, through June 30, 2025. ³ Source: BlackRock, Institutional Shareholder Services (ISS). Sourced on August 15, 2025, reflecting data from January 1, 2025, through June 30, 2025. ⁴ Source: BlackRock, ISS. Sourced on July 23, 2025, reflecting data from January 1, 2025, through June 30, 2025. Includes shareholder proposals voted at five APAC-based companies that are considered management proposals because they are generally filed with the consent of, or at the request of, management or a controlling shareholder. The number of companies that received a vote against a management proposal may overlap with but is not a subset of the number of the 137 companies engaged. ⁵ Source: BlackRock, ISS. Sourced on July 23, 2025, reflecting data from January 1, 2025, through June 30, 2025. Reflects vote instructions on climate and natural capital, and company impacts on people shareholder proposals per BIS' proposal taxonomy. Excludes the Japanese market, where numerous shareholder proposals are filed every year due to low filing barriers, and where shareholder proposals are often legally binding for directors in this market.

Overview of engagement activities

Engagement approach under the Guidelines

BIS engages with companies to deepen our understanding of their business models and how they are overseeing material business risks and opportunities over time. This helps us make more informed voting decisions on behalf of our clients.¹

Under the Guidelines, the team primarily engages companies in sectors that play an important role in the transition to a low-carbon economy. This includes companies which produce goods and services that contribute to real world decarbonization or have a carbon intensive business model and may face outsized impacts from the low-carbon transition.

Engagement in practice

Based on the criteria described above, the dedicated team engaged with 137 companies from October 1, 2024, through June 30, 2025.

Approximately 69% of the companies engaged operate in the energy, materials, industrials, and financials sectors.²

These engagements provided insight into how companies are considering transition-related risks and opportunities, and how these may impact their business models and long-term decarbonization plans. For example, some energy companies across regions discussed how they are balancing current consumer demand while pursuing their long-term strategies and publicly stated climate commitments. Other companies that have identified artificial intelligence (AI) capabilities as part of their strategies shared the resource implications of scaling AI infrastructure — particularly the energy and cooling demands required to support continued growth.

¹ On February 11, 2025, the U.S. Securities and Exchange Commission (SEC) staff issued updated guidance for shareholders' "passivity" status in regards to engaging with their portfolio companies on corporate governance and stewardship topics. We comply with the requirements and do not use engagement as a way to control publicly traded companies. ² Source: BlackRock. Sourced on August 15, 2025, reflecting data from October 1, 2024, through June 30, 2025.

Overview of voting activities



Voting approach under the Guidelines

The team's voting decisions on behalf of clients are guided by the Guidelines and informed by BlackRock's proprietary insights. The Guidelines focus specifically on matters related to climate risks and the transition to a low-carbon economy at the shareholder meetings of companies that are held by funds and SMAs that have chosen to apply the Guidelines.

When assessing these matters, the Guidelines consider both financial performance and decarbonization objectives consistent with funds' and accounts' investment objectives. For all other matters not related to climate risks and the transition to a low-carbon economy, the dedicated team follows BIS' Benchmark Policies.

Voting in practice

The Guidelines focus on proposals that relate most closely to our clients' decarbonization investment objectives. These may include management proposals, such as director elections, approval of a climate strategy or progress report, or proposals to authorize mergers and acquisitions.¹

In many markets, shareholders may submit proposals to be voted on at a company's shareholder meeting. Shareholder proposals represented approximately 1% of total proposals the dedicated team voted under the Guidelines during the reporting period. The team focused on those addressing climate-related matters.

Shareholder proposals may address climate-related matters when, for example, they include requests for companies to publish a business plan and related disclosures aligned with the ambition to limit average temperature rise to no more than 1.5°C above pre-industrial levels. Such proposals could also request companies to disclose scope 1, 2, and 3 greenhouse gas (GHG) emissions most material to the company's business model.

When evaluating each voting item across management or shareholder proposals, the dedicated team applies a case-by-case approach that reflects the uneven pace of the low-carbon transition across sectors and markets, and acknowledges the distinction between what company management can influence and what lies beyond its control. As a result, voting decisions — on behalf of in-scope funds and SMAs — on similar proposals included on different companies' shareholder meeting agendas may vary depending on company, sector, or market-specific circumstances.

¹ Special situations will be considered on their financial merits, but the dedicated team may engage on climate-related factors under these Guidelines where a transaction may significantly alter a company's climate strategy or a shareholder activist has proposed governance, strategic or operational changes that may impact its climate strategy. The team does not promote changes in corporate control, nor does it invoke formal governance mechanisms that rise to the level of shareholder activism.

Management proposals



A total of 5,662 companies — held by funds and SMAs that have selected the Guidelines — conducted a shareholder meeting from January 1, 2025, through June 30, 2025.¹

In line with the Guidelines, the dedicated team looks for companies to provide sufficient disclosure to assess whether the company's strategy is aligned with the low-carbon transition.² Each vote decision on behalf of clients is made on a case-by-case basis and takes into account a variety of company, sector, and market-specific factors.

Applying the Guidelines, the dedicated team voted against management proposals for climate reasons at 124 companies globally — primarily against proposals categorized as director elections and approval of board reports.^{3,4}

Below are examples of how the dedicated team assessed corporate disclosures and applied the Guidelines to inform its voting decisions on management proposals.

124

companies globally received a vote against management proposals for climate reasons.³

Common reasons for votes against management proposals included:

- Insufficient disclosures for investors to assess climate-related risks and opportunities.
- Limited emissions reporting (scope 1, 2, and material scope 3 GHG emissions data).
- Absence of disclosure regarding emissions targets and/or decarbonization efforts (scope 1 and 2 GHG targets).
- Minimal or no alignment with, or support for, a 1.5°C pathway (with sector-specific considerations).

¹ Source: BlackRock, ISS. Sourced on July 23, 2025, reflecting data from January 1, 2025, through June 30, 2025. ² Please refer to page 12 in the [Guidelines](#) for a list of key concepts assessed by the dedicated team. ³ Source: BlackRock, ISS. Sourced on July 23, 2025, reflecting data from January 1, 2025, through June 30, 2025. Includes shareholder proposals voted at five APAC-based companies that are considered management proposals because they are generally filed with the consent of, or at the request of, management or a controlling shareholder. The number of companies that received a vote against a management proposal may overlap with but is not a subset of the number of the 137 companies engaged. ⁴ Proposals categorized as director elections include items such as the election, discharge, and dismissal of directors. Board report votes are generally advisory and relate to reports issued by the board of directors that may contain information on a company's sustainability efforts, operational resilience, or financial condition, among others.

Case studies

Emissions reporting

The Guidelines look to companies to disclose their scope 1, 2, and material scope 3 GHG emissions to help investors assess the alignment of their business models with the low-carbon transition.⁵

At **China Petroleum & Chemical Corporation, D.R. Horton, Inc., Inner Mongolia Baotou Steel Union Co., Kinder Morgan, Inc., The TJX Companies, Inc.,** and **Valero Energy Corporation**, for example, the dedicated team voted against the election of the appropriate directors or the approval of board reports due to insufficient disclosure.

⁵ The Guidelines welcome disclosure of targets or indicative goals, where companies have set them, for scope 3 emissions reductions, recognizing that these would be provided on a "best efforts" basis given the methodological challenges these currently present for reporters.

Emissions targets

The Guidelines look to companies to disclose their science-based reduction targets for scope 1 and 2 emissions, where possible. Where these disclosures were absent or insufficient to support investor understanding, the team voted against management on the election of the appropriate directors or the approval of board reports. This was the case at **Anhui Conch Cement Company Limited**, **The Bank of Nova Scotia**, **Cheniere Energy, Inc.**, and **Samsung Electronics Co., Ltd.**, among others.

Climate plans or progress reports

In certain markets, company management may submit proposals — commonly referred to as “Say on Climate” — seeking shareholder approval of their climate action plans or progress reports. During the reporting period, 16 companies, primarily based in Europe, brought such proposals to a vote at their AGMs, including **Aviva plc**, **Engie SA**, **Equinor ASA**, **Holcim Ltd.**, **Rio Tinto** and **Santos Limited**. With the application of the Guidelines, the dedicated team supported all 16 proposals because each company provided sufficiently detailed disclosures outlining how they are assessing climate and low-carbon transition-related risks and opportunities, and articulated their plans to manage them.

In some instances, the dedicated team supported companies even when its quantitative assessment indicated limited alignment between the companies’ business models and a 1.5°C pathway. Reflecting the Guidelines’ recognition of the uneven pace of the transition across sectors and markets, these voting decisions were also informed by additional sector, market, and company-level considerations. In such cases, support was grounded in factors like a company’s public commitment to science-based targets or net zero emissions.

For example, in the aviation sector, the team supported each of management’s proposals at **International Consolidated Airlines Group SA** and **United Airlines Holdings, Inc.** In the steel sector, the team supported each of management’s proposals at **ArcelorMittal SA** and **Baoshan Iron & Steel Co., Ltd.** These decisions reflected the team’s assessment that each company had disclosed sufficient information regarding its long-term climate strategy, enabling support for all management proposals under the Guidelines.

Case study

Assessing climate disclosures and board oversight at a U.S. automotive parts supplier

Genuine Parts Company (GPC) is a U.S.-based global service provider of automotive and industrial replacement parts and value-added solutions.¹ GPC has publicly committed to decreasing GHG emissions and improving its reporting of climate-related metrics impacting its business.²

GPC first disclosed its global scope 1 and 2 GHG emissions footprint for the year 2021 in its 2022 Sustainability Report, and has updated that data annually since.^{2, 3} However, the company has not disclosed the emissions associated with the remainder of its value chain. Scope 3 emissions information, including how a company is working with its value chain to manage GHG intensity, provides useful insight to investors focused on the low-carbon transition and on understanding how their investments affect their decarbonization goals.

Additionally, GPC notes in its report that internal reduction targets have been set for each business unit.⁴ However, the specific targets are not publicly disclosed, nor is there detailed information available to understand how the targets were established or how they are integrated into GPC's annual strategic planning.

At GPC's April 2025 AGM, shareholders voted on the election of several directors, among other management proposals.⁵ At the time of the meeting, funds and SMAs that directed BlackRock to apply the Guidelines to their holdings collectively held less than 1% of the company's total shares available for voting.⁶ In line with the Guidelines, the team voted against the election of the Chair of the Nominating and ESG Committee due to insufficient public detail to facilitate investor understanding of the company's climate strategy. The director was elected with approximately 90% shareholder support.⁷

¹ Genuine Parts Company, "Company profile." ² Genuine Parts Company, "2024 Sustainability Report," Page 10. ³ Genuine Parts Company, "Sustainability." ⁴ Genuine Parts Company, "2024 Sustainability Report," Page 46. ⁵ Genuine Parts Company, "Notice of 2025 Annual Meeting & Proxy Statement," February 28, 2025. ⁶ Source: BlackRock, ISS. ⁷ Genuine Parts Company, "Form 8-K," April 29, 2025.

Shareholder proposals



Shareholder proposals span a wide range of topics and have varying degrees of relevance for companies across sectors, locations, and business models.

Each shareholder proposal is evaluated on a case-by-case basis, focusing on its merit while considering the company's individual circumstances. In addition to financial materiality, the Guidelines consider the proposal's relevance to the company's low-carbon transition strategy and targets.

In practice, the team's assessment under the Guidelines reflects:

- A long-term, pragmatic approach that favors a transition that minimizes disruption to the particular company and its key stakeholders.
- A focus on useful, contextualized disclosures that help inform investors' views, while recognizing data limitations.
- The consistency with the participating clients' position as minority investors — a company's board and executive leadership determine its strategy and its implementation.

The dedicated team voted in support of 29 out of 104 climate and natural capital (environmental) proposals filed at companies held by funds and SMAs that have selected the Guidelines.¹ In addition, the dedicated team voted in support of 12 out of 202 proposals related to company impacts on people (social).¹

Under the Guidelines, the team supported select shareholder proposals that requested the disclosure of GHG emissions reporting, reduction targets, or how a company's strategy aligns with a transition to a low-carbon economy that would limit average global temperature rise to 1.5°C.

This included proposals at companies such as **Amazon.com Inc.**, **Columbia Sportswear Company** and **Shell plc**.

The team did not support proposals requesting scope 3 GHG emissions targets or commercially sensitive information, nor those that duplicated existing disclosures or sought to influence specific business decisions or constrain management. The team did not support proposals filed at companies such as **Meta Platforms, Inc.** and **The Timken Company** for one or more of these reasons.

Where the dedicated team determined detailed information would be helpful to support investor understanding, it also supported proposals related to companies' environmental policies, transition plans, or energy supply ratio disclosures.^{2, 3}

For example, the team supported a proposal at **The Bank of Nova Scotia** requesting that the company adopt an annual advisory vote regarding its environmental policies, given that the company's transparency lagged peers and did not align with the Guidelines' criteria.

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shareholder proposals supported focused on climate and natural capital, and company impacts on people.¹

¹ Source: BlackRock, ISS. Sourced on July 23, 2025, reflecting data from January 1, 2025, through June 30, 2025. Reflects vote instructions on climate and natural capital, and company impacts on people shareholder proposals per BIS' proposal taxonomy. Excludes the Japanese market, where numerous shareholder proposals are filed every year due to low filing barriers, and where shareholder proposals are often legally binding for directors in this market. Proposals related to matters beyond core governance issues are typically categorized in the market as environmental or social proposals. We consider these to be sustainability-related issues and generally categorize them in accordance with our engagement priorities, i.e., "climate and natural capital" and "company impacts on people" (a company's employees, its broader value chain, or the communities in which it operates). ² The Guidelines note that a number of jurisdictions are working toward establishing a common approach to corporate transition plans. Given this ongoing work, while transition plans can be helpful disclosures, the Guidelines do not make the preparation and production of transition plans a voting issue on director elections or other management proposals and does not vote against directors solely due to the absence of a transition plan. The dedicated team may, in select circumstances, support shareholder proposals requesting companies to publish one. ³ Energy Supply Ratio or Energy Supply Banking Ratio (ESBR) is "defined as the total debt, equity, and project finance an institution has facilitated toward low-carbon energy supply relative to fossil fuels each year." See: BloombergNEF. "Calculating an Energy Supply Banking Ratio." March 13, 2025.

The team did not support proposals requesting insurance-related emissions disclosures at **Chubb Limited**, or those substantially covered by existing disclosures at **Brookfield Asset Management Ltd.** Additionally, the team did not support requests that exceeded current market practice on third-party assurance, such as the proposal filed at **Laurentian Bank of Canada**.

While some proposals addressed climate matters, the team did not support them given they lacked clear ties to the investment objectives of funds and SMAs that selected the Guidelines, were too prescriptive, or were unduly constraining on management. The team also opposed proposals seeking commercially sensitive information, those substantially covered by existing disclosures, or those aiming to amend Articles of Incorporation (AOI), which is a common practice in Japan.

Regarding proposals associated with company impacts on people, several related to corporate political activities.¹ The dedicated team does not tell companies which policy positions they should take, or how to conduct such activities. Instead, it encourages companies to provide investors with disclosures that clarify the governance processes supporting board oversight of these activities, as well as the link between companies' stated strategic policy priorities and their approach to political activities, including participation in industry associations.

The dedicated team may support a shareholder proposal requesting additional disclosure where increased transparency would help investors understand how a company's political activities support its stated strategic policy priorities — including those related to the low-carbon transition — or where there seem to be material inconsistencies between those policy priorities and the company's activities.

For example, the dedicated team supported a proposal filed at **Mondelez International, Inc.'s** May 2025 AGM requesting that the company report on how its corporate political activities align with its net zero by 2050 goal.² Given its relevance to the investment objectives of funds and accounts that have selected the Guidelines, the dedicated team determined that support was warranted to further investor understanding between the company's corporate political activities and its decarbonization objectives. The team did not support those where they determined that the company's existing public disclosures already sufficiently addressed the proponents' asks.

¹ Corporate political activities may include lobbying as defined by local regulations, engagement with public officials with the intent to influence legislation or regulation and activities related to the election of policymakers. ² Mondelez International. ["Notice of 2025 annual meeting of shareholders and annual proxy statement."](#) April 4, 2025.

Case study

Evaluating a UK energy company's strategy and disclosures in the context of its climate commitments

Shell plc (Shell) is an energy company headquartered in the UK, with operations in more than 70 countries around the world.

Shell noted that global demand for liquified natural gas (LNG) is expected to rise by approximately 60% by 2040, driven by economic growth in Asia, emissions reductions in heavy industry and transport, and the impact of artificial intelligence.¹ Shell has stated its ambition to deliver more value with fewer emissions as it works to become a net zero emissions business by 2050.²

The dedicated team engaged with members of the company's board and management in November 2024 and April 2025 to better understand Shell's approach to managing climate-related risks and opportunities. The team sought further clarity on the company's strategy and, in particular, Shell's assumptions around LNG, given its increased strategic emphasis on integrated gas and LNG as a driver of long-term growth.³

On the agenda at Shell's May 2025 AGM was a shareholder proposal requesting that Shell discloses "whether and how its demand forecast for liquified natural gas (LNG); LNG production and sales targets; and new capital expenditure in natural gas assets; are consistent with its climate commitments, including its target to reach net zero emissions by 2050."⁴

At the time of the meeting, funds and SMAs that directed BlackRock to apply the Guidelines to their holdings collectively held less than 1% of the company's total shares available for voting.⁵ The dedicated team supported the shareholder proposal. Engagement discussions and BlackRock's proprietary insights informed the team's assessment of how the company's business model and LNG assumptions aligned with its climate commitments. The team concluded that enhanced transparency would help investors better understand the relationship between Shell's LNG outlook and its net zero commitments. The shareholder proposal received approximately 21% support.⁶

¹ Shell plc. "Asian economic growth expected to drive 60% rise in LNG demand to 2040." February 25, 2025. ² Shell plc. "Our strategy." ³ Shell plc. "Shell accelerates strategy to deliver more value with less emissions." March 2025. ⁴ Shell plc. "Notice of Annual General Meeting." March 25, 2025. ⁵ Source: BlackRock, ISS. ⁶ Shell plc. "Results of Annual General Meeting." May 20, 2025.

Case study

Assessing the alignment between a U.S. technology company's AI-driven growth strategy and its long-term climate commitments

Amazon.com, Inc. (Amazon) is a U.S. based online retailer, media company, and technology solutions provider.

Through its cloud computing division — Amazon Web Services (AWS) — Amazon has increased its capital allocation to develop its artificial intelligence capabilities as part of the company's broader growth strategy. For example, in January 2025, AWS announced plans to invest an estimated \$11 billion to expand infrastructure in the U.S. state of Georgia to support cloud computing and AI-powered technologies.¹ AWS also committed to invest \$8.3 billion to expand cloud infrastructure in India, as part of a larger \$12.7 billion planned investment by 2030 to meet growing demand for cloud services and artificial intelligence in the country.²

Amazon has pledged to reach net zero carbon emissions across its operations by 2040, with AWS aligning its infrastructure and operations to support this goal. AWS, for example, has “committed to reducing [our] environmental impact and continue to make progress toward net zero carbon by 2040, water positive by 2030, and reducing waste.”³ In March 2025, the dedicated team engaged with Amazon to better understand its data center growth plans and related power needs and how these align with its 2040 climate commitments.

On the agenda at Amazon's May 2025 AGM was a shareholder proposal requesting that “Amazon issue a report explaining how it will meet the climate change-related commitments it has made on greenhouse gas emissions, given the massively growing energy demand from artificial intelligence and data centers that Amazon is planning to build.”⁴

At the time of the meeting, funds and SMAs that directed BlackRock to apply the Guidelines to their holdings collectively held less than 1% of the company's total shares available for voting.⁵ The dedicated team supported the shareholder proposal. While Amazon has disclosed several initiatives to reduce the carbon footprint of its data centers — including the use of carbon-free energy sources such as wind, solar, and nuclear — and lower-carbon construction alternatives, the dedicated team concluded that enhanced transparency would help investors better understand the relationship between Amazon's AI-driven global growth plans and its 2040 net zero goals. The shareholder proposal received approximately 20% support.⁶

¹ Amazon.com, Inc. “AWS plans to invest at least \$11 billion in Georgia to expand infrastructure to support AI and cloud technologies.” January 7, 2025. ² Amazon.com, Inc. “AWS plans \$8.3 billion investment in cloud infrastructure in Maharashtra by 2030.” January 23, 2025. ³ AWS. “AWS Sustainability.” ⁴ Amazon.com, Inc. “Notice of 2025 Annual Meeting of Shareholders & Proxy Statement.” May 21, 2025. ⁵ Source: BlackRock, ISS. ⁶ Amazon.com, Inc. “Form 8-K.” May 21, 2025.

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