

An aerial, top-down view of a city street intersection. The street is paved with dark asphalt and has white crosswalk markings. On either side of the street are multi-story buildings with prominent red-tiled roofs. Some buildings have flat roofs with various structures like air conditioning units or small pools. The scene is brightly lit, suggesting a sunny day, with shadows cast by the buildings. Several cars are visible on the street, including a yellow car at the top intersection and a blue car further down. The overall color palette is dominated by the red of the roofs and the grey of the pavement.

BlackRock®

By the numbers

BlackRock Investment Stewardship
Q1 2025 statistics

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BlackRock Investment Stewardship

At BlackRock, investment stewardship is core to our role as an asset manager and a fiduciary to our clients.

As stewards of our clients' assets, we engage with companies and vote at shareholder meetings to promote sound corporate governance and business practices that support companies in delivering durable, risk-adjusted financial returns over time. We are committed to building strong relationships through constructive, ongoing dialogue with the boards and executive management of the companies in which our clients are invested.

BlackRock Investment Stewardship (BIS) is responsible for stewardship activities in relation to clients' assets managed by certain index equity portfolio managers. Approximately 90% of BlackRock clients' public equity assets under management are held in index equity strategies, as of December 31, 2024.¹

BlackRock's stewardship program has four key pillars:

1.
**Engaging
with companies**

2.
**Proxy voting
on behalf of clients**

3.
**Contributing to industry
dialogue on stewardship**

4.
**Reporting on our
stewardship activities**

It is important to us that our clients have a clear understanding of how the work we do on their behalf aligns with their investing goals. In order to support that understanding, BIS publishes this “By the numbers,” a report that outlines BIS' voting activity on behalf of clients under BIS' Benchmark Policies on a quarterly basis.² Based on client feedback, a quarterly snapshot is a comprehensive and useful set of data for our clients to learn how BIS is working to advance their long-term financial interests.³

More information about BIS, and our full suite of publications, can be found on our [website](#).

¹ As of March 31, 2025, clients entrusted BlackRock with \$11.6 trillion of assets under management (AUM). By product type, 53% of the assets BlackRock manages for clients are in equities (as of March 31, 2025). Approximately 90% of public equity AUM is held in index strategies. Estimate based on figures reported in BlackRock Inc.'s financial results for the first quarter of 2025. Source: BlackRock, Inc. “BlackRock Reports First Quarter 2025 Diluted EPS of \$9.64, or \$11.30 as adjusted.” ² Proxy voting data reflect the categories outlined in BIS' proposal taxonomy, which is a comprehensive representation of BIS' proxy voting activity on behalf of clients, built in response to their informational and reporting needs. To learn more about BIS' proposal taxonomy please refer to the Appendix section. ³ This document is provided for informational and educational purposes pertaining to BlackRock Investment Stewardship's program on behalf of index equity strategies globally. BlackRock Active Investment Stewardship (BAIS) is a distinct and independent function within the active investing business which manages BlackRock's stewardship activities on behalf of clients invested in active strategies globally.

Engagement overview: January 1, 2025 through March 31, 2025

631

Total global engagements

592

Unique companies engaged

32

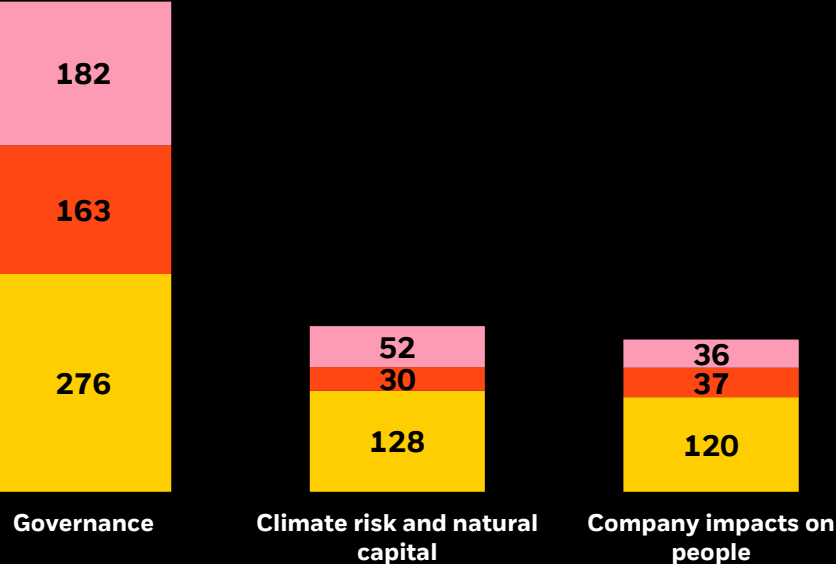
Companies engaged with multiple times

32

Markets covered in engagements

Number of engagements by theme

Americas APAC EMEA



Number of engagements across our five priorities



Strategy, purpose and financial resilience

539



Board quality and effectiveness

423



Incentives aligned with value creation

259



Climate and natural capital

210



Company impacts on people

193

Source: BlackRock, sourced on May 12, 2025 reflecting data from January 1, 2025 through March 31, 2025. Reflects total engagements per priority. Most engagement conversations cover multiple topics and therefore the engagements across our five priorities sub-totals may not add up to the total engagements or the number of engagements by theme held in the reporting period. Our engagement statistics reflect the primary topics discussed during the meeting. For a comprehensive summary of the companies and topics engaged, please refer to [BIS' Global Engagement Summary Report](#).

BIS' voting on behalf of clients: January 1, 2025 through March 31, 2025

	Number of companies voted	Number of meetings voted at	Number of proposals voted
Americas	387	393	2,866
APAC	1,452	1,542	9,028
EMEA	431	451	5,947
Global total	2,270	2,386	17,841

Source: BlackRock, Institutional Shareholder Services (ISS), Sourced on May 12, 2025, reflecting data from January 1, 2025 through March 31, 2025. To learn more about BIS' proposal taxonomy please refer to the Appendix section.

BIS voting on behalf of clients at a glance

10%

% of director elections that BIS did not support

11%

% of proposals where BIS did not support management recommendation¹

11%

% of shareholder proposals where BIS did not support management recommendation²

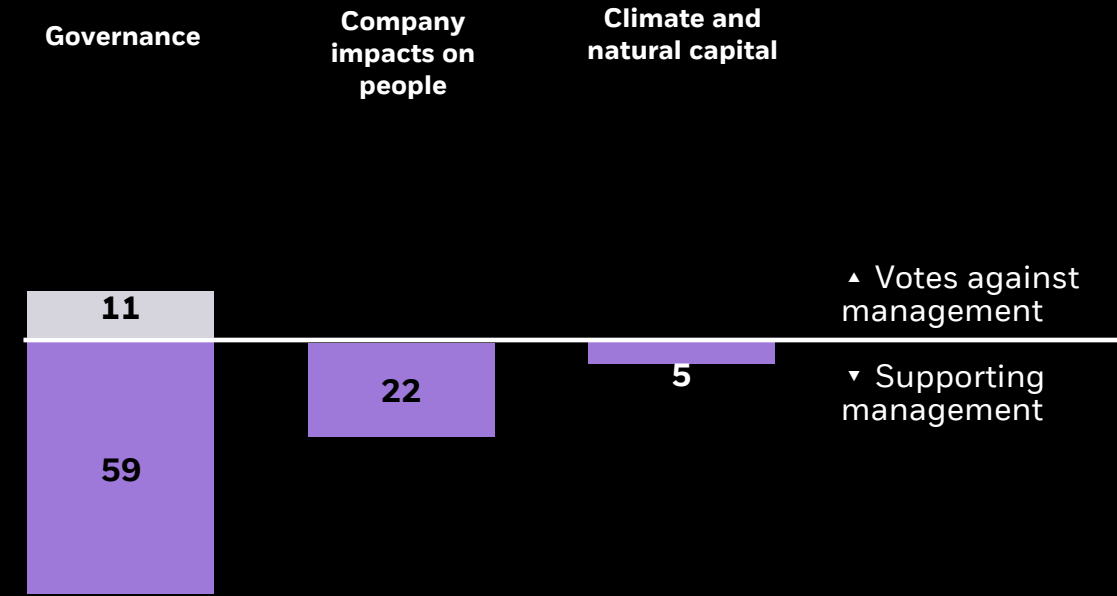
Top reasons why BIS did not support directors

Measured in number of companies

Americas APAC EMEA

Board Independence	32	137	32
Overcommitment ³	11	11	37
Disclosure	8	7	41
Executive Compensation	6	1	35

How BIS voted on behalf of clients on shareholder proposals by theme²



Source: BlackRock, ISS. Sourced on May 12, 2025, reflecting data from January 1, 2025 through March 31, 2025. "Support" means BIS voted in alignment with management's recommendations. "Not support" means BIS voted different from management's voting recommendation.

¹ Votes to not support management recommendation include votes withheld and abstentions. To learn more about BIS' proposal taxonomy please refer to the Appendix section. ² Includes only governance, climate and natural capital, and company impacts on people shareholder proposals per BIS' proposal taxonomy. Proposals related to matters beyond core governance issues are typically categorized in the market as environmental or social proposals. BIS considers these to be sustainability-related issues and generally categorizes 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). 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. To learn more about BIS' proposal taxonomy, please refer to the Appendix section. ³ Includes voting action on regular overcommitment policy and overcommitment policy for executives per the [BIS Global Principles](#).

NM0725U-4640479-6/19
IEBISH0625U/M-4522741-6/19



Global voting statistics

January 1, 2025 through March 31, 2025

Management proposals

January 1, 2025 through March 31, 2025

		Americas	EMEA	APAC ¹	Total
Management proposals					
Director elections	support	1,450	1,562	3,959	6,971
	not support	90	326	347	763
Board-related	support	69	364	699	1,132
	not support	8	57	76	141
Compensation	support	298	571	710	1,579
	not support	36	149	148	333
Auditor	support	239	386	72	697
	not support	0	53	2	55
Capital structure	support	173	865	778	1,816
	not support	16	56	50	122
Climate and natural capital	support	0	0	0	0
	not support	0	0	0	0
Company impacts on people	support	5	72	0	77
	not support	0	25	1	26
Mutual funds	support	5	7	0	12
	not support	0	0	0	0
Other	support	192	1,017	1,026	2,235
	not support	107	169	76	352
Strategic transactions	support	90	70	551	711
	not support	4	31	97	132
Takeover defense	support	22	56	3	81
	not support	0	1	7	8

Source: BlackRock, ISS. Sourced on May 12, 2025, reflecting data from January 1, 2025 through March 31, 2025. "Support" means BIS voted in alignment with management's recommendations. "Not support" means BIS voted different from management's voting recommendation. To learn more about BIS' proposal taxonomy please refer to the Appendix section. ¹ Includes Japan.

Shareholder proposals

January 1, 2025 through March 31, 2025

		Americas	EMEA	APAC ex Japan	Japan	Global Total	Global ex Japan
Shareholder proposals by theme							
Governance	Support	17	16	28	33	94	61
	not support	4	0	7	6	17	11
Climate and natural capital	support	4	1	0	0	5	5
	not support	0	0	0	0	0	0
Company impacts on people	support	19	3	0	0	22	22
	not support	0	0	0	0	0	0
Board-related	support	7	2	40	0	49	49
	not support	1	0	3	0	4	4
Director elections	support	9	68	243	16	336	320
	not support	1	7	25	1	34	33
Other	support	0	7	14	1	22	21
	not support	0	6	8	1	15	14

Source: BlackRock, ISS. Sourced on May 12, 2025, reflecting data from January 1, 2025 through March 31, 2025. "Support" means BIS voted in alignment with management's recommendations. "Not support" means BIS voted different from management's voting recommendation. To learn more about BIS' proposal taxonomy please refer to the Appendix section.



Vote rationales

January 1, 2025 through March 31, 2025

To provide further clarity on why BIS did not support management's recommendation on director elections and/or shareholder proposals on topics related to climate and natural capital and company impacts on people, we include additional vote rationales.

Shareholder proposals related to matters beyond core governance issues are typically categorized in the market as “environmental” or “social” proposals. BIS considers these to be sustainability-related issues and generally categorizes 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).

To learn more about BIS' proposal taxonomy, please refer to the Appendix section.

In Q1 2025, BIS supported management recommendations on ~89% of all proposals that we voted and ~89% of management proposals.¹ The following summarizes those limited instances where we did not vote with management.

¹ BlackRock. ISS. Sourced on May 12, 2025, reflecting data from January 1, 2025, through March 31, 2025.

Management proposals – Americas

January 1, 2025 through March 31, 2025

Company	Meeting Date	BIS Vote	Rationale
Atmos Energy Corporation (Atmos Energy)	February 5, 2025	Vote against Director Kelly H. Compton (Item 1d) and Director Frank Yoho (Item 1k)	<p>Atmos Energy, together with its subsidiaries, engages in the regulated natural gas distribution, and pipeline and storage businesses in the U.S. Methane emissions – which occur due to leaks, venting and flaring – are financially material to natural gas companies such as Atmos Energy, for two principal reasons. First, because methane losses represent natural gas that is purchased but not sold, they result in lost revenue.¹ Second, methane emissions are subject to regulation that could impose additional costs on the company. At the time of BIS’ vote, the U.S. Environmental Protection Agency (EPA) was aiming to aggressively cut U.S. methane emissions through a new rule finalized in March 2024. In addition, the 2022 Inflation Reduction Act (IRA) imposes a fee on methane emissions.²</p> <p>In Atmos’ 2025 Annual Report, the company recognized the potential financial impact of regulation around methane and other greenhouse gases to the company’s operations.³ As the company noted, “[f]ederal, regional, and/or state legislative and/or regulatory initiatives may attempt to control or limit greenhouse gas emissions, such as carbon dioxide and methane, by requiring the adoption of new infrastructure or technology to limit greenhouse gas emissions. . . . Such laws or regulations could adversely affect our business, results of operations, and cash flows if the costs we incur to comply with these laws or regulations are not recovered or if the cost of providing natural gas services becomes prohibitively expensive, leading to a reduction in the demand for natural gas or fuel-switching to alternate sources of energy.”</p> <p>At the time of the February 2025 annual general meeting (AGM), the company reported that its methane emissions had increased in certain areas of operations but did not provide sufficient information regarding whether the company’s methane reduction efforts were yielding results, nor did they inform investors as to the costs and benefits associated with these efforts. Additionally, the company did not disclose the governance process in place to manage the financial risks associated with the potential inability to meet its stated methane targets. Atmos’ disclosures on these subjects were much more limited than those of its peers.</p> <p>For those reasons, BIS did not support the election of Director Frank Yoho, Chair of the Corporate Responsibility, Sustainability and Safety Committee at Atmos Energy, as well as Director Kelly Compton, who is the longest tenured member of that same committee, each of whom, according to the company’s 2025 proxy,⁴ are responsible for oversight of ‘climate change risk.’</p>

1. U.S. Energy Information Agency, “Today in Energy”, June 2024. 2. U.S. Environmental Protection Agency, “EPA Proposes New Source Performance Standards, Updates Emissions Guidelines to Reduce Methane and Other Harmful Pollution from the Oil and Natural Gas Industry”, November 2021. U.S. Environmental Protection Agency, “Methane Emissions Reduction Program”, 2022. 3. Atmos Energy Corporation, “Form 10-K”, 2024. 4. Atmos Energy Corporation, “2025 Proxy Statement & Notice of Annual Meeting”, February 2025.

Management proposals – Americas

January 1, 2025 through March 31, 2025

Company	Meeting Date	BIS Vote	Rationale
Tyson Foods, Inc. (Tyson Foods)	February 6, 2025	Vote against Director David J. Bronczek (Item 1e)	<p>Tyson Foods is a U.S.-based food company. In the company’s Form 10-K filing from November 2024, it noted that “the effects of climate change and legal or regulatory initiatives to address climate change could have a long-term adverse impact on [the] business and the results of operations.”¹ Additionally, Tyson Foods identified that “[i]ncreasing concern over climate change also may adversely impact demand for [its] products due to changes in consumer preferences and result in additional legal or regulatory requirements designed to manage greenhouse gas emissions, climate risks, and resulting environmental impacts. Increased energy or compliance costs and expenses due to increased legal or regulatory requirements could be prohibitively costly and may cause disruptions in, or an increase in the costs associated with, the running of [its] production facilities. Furthermore, compliance with any such legal or regulatory requirements may require [the company] to make significant changes to [its] business operations and strategy, which will likely incur substantial time, attention, and costs.”²</p> <p>However, the material sustainability-related information disclosed at the time of Tyson Foods’ February 2025 AGM was outdated. Specifically, disclosures regarding the company’s management of climate-related risks and sustainability-related metrics had not been updated since it published its 2023 Carbon Disclosure Project (CDP) report, and the company did not explain why those disclosures have not been updated. As a result, the disclosures were outdated and did not account for the latest changes to its production operations since 2023.</p> <p>For that reason, BIS did not support the election of Director David J. Bronczek, the chair of the Board’s Governance and Nominating Committee, who, according to the 10-K and 2025 proxy statement,³ is the head of the board committee responsible for overseeing the company’s approach to climate risk.</p>

1. Tyson Foods, Inc., “[Form 10-k](#)”, December 2024. 2. Tyson Foods, Inc., “[Form 10-k](#)”, December 2024. 3. Tyson Foods, Inc. “[Notice of Annual Meeting of Shareholders](#)”, December 2024.

Management proposals – APAC

January 1, 2025 through March 31, 2025

Company	Meeting Date	BIS Vote	Rationale
Air China Limited (Air China)	February 25, 2025	Vote against Director Patrick Healy (Item 2.04)	<p>Air China is a Chinese airline company. In Air China’s 2023 Corporate Social Responsibility Report, the company identified climate change as having a potential financial impact.¹ Specifically, the company stated that “[n]ew climate-related laws, regulations, and policies impose more stringent requirements for the industry, such as tighter emissions restrictions on civil airlines, which may influence more costs and travel habits, thus leading to fewer passengers and related revenue.”² In addition, the company noted that “[i]n the context of climate change being a major concern, the aviation industry’s carbon emission reduction efforts are closely followed by various stakeholders. Failure to effectively implement such efforts in a timely manner will have a negative impact on the Company’s public image and revenue.” The company also identified that climate-related laws, regulations, and policies, as well as China’s national target use of sustainable aviation fuel could impact the company’s financials. Air China also noted that it “actively implements the national goals of ‘carbon peaking and carbon neutrality,’” and that in response to the policy and legal risks posed by tighter emissions restrictions, the company “[e]xplored and optimized greenhouse gas (GHG) emission reduction paths, established short-term, medium-term, and long-term carbon peaking and carbon neutrality goals and strategies, and regularly disclosed the progress of GHG emission reduction.”</p> <p>While BIS acknowledges the company’s broader disclosure, it lacks sufficient specificity around the “short-term, medium-term, and long-term carbon peaking and carbon neutrality goals” to allow investors to better understand how the company’s stated strategic plans will ultimately impact the quantum of emissions it produces and the company’s ability to comply with China’s stated climate goals. BIS found that other peer airlines in the Asia Pacific region provide more specific detail regarding how they intend to achieve emission reductions where they have stated, like China Air had, that such goals exist. In the case of Air China, this detail was absent.</p> <p>For this reason, at the February 2025 EGM, BIS determined not to support the election of Patrick Healy, the longest tenured non-independent non-executive director at Air China who was up for election.</p>
Guangzhou Automobile Group Co LTD (Guangzhou Auto)	March 28, 2025	Vote against Director Xiaomu Chen (Item 1.02)	<p>Guangzhou Auto is a Chinese automobile company. In Guangzhou Auto’s 2023 Environmental, Social and Governance Report, the company identified various climate-related risk factors as material to their operations including, energy management, product carbon footprint and customer preference for green and low-carbon products.³ In addition to energy management, in support of “implementing the country’s ‘carbon peaking and carbon neutrality’ target,” Guangzhou Auto stated that it set a “1237 Development Plan, the implementation path of the ‘carbon peaking and carbon neutrality strategy’ with a goal of achieve[ing] carbon neutrality across the whole product lifecycle by 2050 (stretch goal 2045).”⁴ While Guangzhou Auto’s reporting discussed various green products and technology that it is pursuing, its disclosure did not link these efforts with the company’s stated emissions reduction targets nor the expected steps Guangzhou Auto was planning in order to achieve them. The company noted that “GAC Group has formulated its medium- and long-term planning...and set corresponding targets and action routes by phases and fields,” yet investors did not have access to this data.</p> <p>Additionally, in previous reporting, the company had disclosed a specific scope 1 and 2 emissions reduction target for 2023, but the company did not disclose any updated targets in the 2023 Environmental, Social and Governance Report, which would help investors assess how the company is addressing a material risk.⁵</p> <p>For the above reasons, at the March 2025 EGM of Guangzhou Auto, BIS did not support the election of Xiaomu Chen, a non-independent non-executive director, based on the seniority of the committee’s membership, and the availability of directors up for election.</p>

1 Air China, “2023 Corporate Social Responsibility (ESG) Report”, 2024. 2. See previous footnote. 3. Guangzhou Auto, “2023 Environmental, Social and Governance Report”, 2024. 4. See previous footnote. 5. Guangzhou Auto, “2022 Environmental, Social and Governance Report”, 2023. 13

Management proposals – APAC

January 1, 2025 through March 31, 2025

Company	Meeting Date	BIS Vote	Rationale
PT Bank Central Asia Tbk (BCA)	March 12, 2025	Vote against management proposal to Approve Changes in the Boards of the Company (Item 3)	<p>BCA is the largest private sector bank in Indonesia. It provides banking products and other financial services to individual, corporate, and small and medium enterprise customers in Indonesia and internationally. In its 2024 Sustainability Report, the company stated that “BCA has developed a Climate Strategy to guide our steps in carrying out decarbonization towards climate resilience. This effort is part of BCA’s support for the government’s target to achieve net zero emission (NZE) by 2060.”¹ The company added that “[t]he series of decarbonization efforts that BCA has implemented as climate action are expected to be able to achieve absolute results in reducing GHG emissions, strengthening climate resilience, and contributing to the Government’s NZE target.” BCA also noted that this is material to the company because “the risk of climate change can disrupt business activities in the long term. Therefore, the Bank needs to mitigate climate risks in financing activities because debtor business activities contribute to GHG emissions.”²</p> <p>While the company’s reporting at the time of the March 2025 AGM discussed its efforts to catalogue operational and financed emissions, it provided no detail as to how this information, once gleaned, would contribute to the company’s own stated decarbonization objectives or how these objectives would contribute to the Indonesian Government’s broader NZE goal. Without such disclosure, or a specific timeline for when this disclosure could be expected, investors are uncertain as to the how climate-related risks are being addressed and whether investors should expect the company’s lending or investment portfolios to be impacted as a result of the company’s emissions data-collection process. BIS believes that more fulsome information would better allow investors to understand the risks identified by the company and actions it claims it is taking.</p> <p>For these reasons, BIS did not support the management proposal to “Approve Changes in the Boards of the Company.” In the Indonesian market, bundled management proposals such as “Approve Changes to the Board” are common. These proposals typically do not provide information on specific changes or identify director nominees. Due to the lack of specific information regarding the director nominees, a vote against the bundled management proposal “Approve Changes in the Boards of the Company” was appropriate based on the allocation of oversight responsibilities to the full board in the company’s 2025 proxy statement.³</p>

Management proposals – APAC

January 1, 2025 through March 31, 2025

Company	Meeting Date	BIS Vote	Rationale
Shaanxi Coal and Chemical Industry Group Co., Ltd (Shaanxi Coal Industry)	March 5, 2025	Vote against Director Dan Young (Item 2.2)	<p>Shaanxi Coal Industry is a China-based company primarily engaged in the mining, processing, and distribution of thermal coal and metallurgical coal. The company also recently expanded along the industrial value chain by entering the coal-fired power plant business, with 8.3 gigawatts of generation capacity in operation and another 11.3 gigawatts of generation capacity under construction.¹</p> <p>In its 2024 annual report, the company identified governmental policies as one of the key issues that could materially impact the financial success of its business.² That report stated, “[t]he company’s business activities are affected by the national industrial regulation and control policies. The state has put forward the goal of carbon peak and carbon neutrality, which has put forward new and higher requirements for the high-quality development of the energy industry. Deepening the supply-side structural reform of the coal industry may objectively affect the company’s industrial layout and the approval of new and expansion projects, as well as the reform of operation and management models.”³</p> <p>Given the potential for conflict between the company’s expansion of coal-related activities and the impacts of governmental policies, shareholders would benefit from a clear understanding of the company’s environmental performance, as well as more detailed information regarding how the company intends to continue to produce returns for shareholders in light of the regulatory risks the company may face. The company implied in its reporting that its current business is consistent with China’s regulatory goals but provided no detail to corroborate these statements. Without that detail, it is difficult for investors to assess the operation efficiency of the energy production at Shaanxi compared to market peers. Helpful disclosure might include its current scope 1 and 2 emissions and any information regarding analysis the company may have done to identify ways to improve the “quality” of production, including economically profitable opportunities to reduce emissions. As a result of the lack of sufficient information to assess investment risk, BIS did not support the election of Dan Young, an independent director.</p> <p>For this reason, a vote against the election of director Dan Young was appropriate based on the allocation of oversight responsibilities to the relevant board-level committee, the seniority of the committee’s membership, and the availability of directors up for election.</p>

1 Shaanxi Coal Industry Company Limited, “[Shaanxi Coal Industry Co., Ltd. Announcement on the Acquisition of Equity of Shaanxi Coal Power Group Co., Ltd. and Related Party Transactions](#)”, 2024. 2. Shaanxi Coal Industry Company Limited, “[Annual Report FY 2024](#)”, 2024. 3. Shaanxi Coal Industry Company Limited, “[Annual Report FY 2024](#)”, 2024.

Management proposals – EMEA

January 1, 2025 through March 31, 2025

Company	Meeting Date	BIS Vote	Rationale
Türkiye Sise Ve Cam Fabrikalari AS (Şişecam)	March 25, 2025	Vote against Board Discharge (Item 5)	<p>Sisecam is a Turkish company engaged in the production of glass and chemicals. Glass production has traditionally been carbon intensive due to the predominant use of hydrocarbon fuels to generate the heat required to melt raw materials and facilitate the chemical reactions involved in the process. In Şişecam’s 2023 Sustainability Report, the company noted that “[t]he industry’s role in combating the climate crisis has never been more vital. To curb the carbon footprint of production, companies are increasingly turning to renewable energy sources [and] improving energy efficiency...” The company went on to state that “[p]articularly, the EU Green Deal, along with its Energy Transformation Strategy, Emissions Trading System, and Carbon Border Adjustment Mechanism, is setting mandatory targets for industries to adopt carbon-free production and clean energy.”¹ Its 2023 Sustainability Report also noted that it is working to “advance its sustainability objectives by implementing targeted projects and development activities focused on enhancing energy efficiency [and] reducing air emissions” and the company generally has a goal to achieve carbon neutrality by 2050.”</p> <p>Şişecam’s reporting, however, failed to provide sufficient information as to how it plans to achieve these goals, and its disclosure on these topics generally lagged other European peer companies. Where a company discloses a goal to achieve net carbon neutrality and is subject to the risk of “mandatory targets...to adopt carbon-free production and clean energy,” we believe it is important to provide details around how it plans to address these goals and associated risks, including, for example, disclosing what portion of the company’s emissions the board and management believe are economically addressable. However, Sisecam failed to provide this type of information as of the time of the AGM.</p> <p>For this reason, BIS determined that a vote against the proposal to approve the Board Discharge was appropriate.</p>

1. Türkiye Sise Ve Cam Fabrikalari AS, “Sustainability Report 2023”, 2024.

Management proposals – EMEA

January 1, 2025 through March 31, 2025

Company	Meeting Date	BIS Vote	Rationale
Eregli Demir ve Celik Fabrikalari TAS (Erdemir)	March 26, 2025	Vote against Board Discharge (Item 6)	<p>Eregli Demir ve Celik Fabrikalari TAS, together with its subsidiaries Erdemir, Isdemir & Oyak, is a Turkish company that produces and sells iron and steel rolled products, alloyed and non-alloyed iron, steel and pig iron castings, cast and pressed products, coke, and by-products. The company identifies itself as “the leading steel producer of our country” and noted that “[w]ith the announcement of carbon emission reduction targets in many countries, industries around the world are determining appropriate roadmaps. While companies investing in the future take action for the necessary regulations by committing to net zero emission goals, these steps taken for a greener and sustainable world also enable companies to maintain their competitiveness in global markets.”¹ Erdemir provided disclosures regarding its strategy and approach to remaining competitive in the face of this transition. In 2023, the company disclosed a “Net Zero Roadmap,” which outlined the company’s decarbonization plans and its opportunities to not only achieve specified emissions reductions, but to leverage emerging technology to remain financially nimble into the future.²</p> <p>Nevertheless, compared to Turkish peers, the company’s reporting included only limited information on how the board is overseeing climate-related risks and opportunities.³ For example, unlike many similarly-situated companies, Erdemir did not explain which committees of the board are responsible for oversight, how information gets escalated to the board, how the board has prepared itself to oversee the financial resilience of the company, or how the board oversaw management of these self-identified material risks and opportunities to the business.</p> <p>As BIS notes in its Global Principles, a fundamental element of governance practice that is globally intrinsic to a company’s ability to create long-term financial value is a qualified, effective board responsible for overseeing and advising management and accountable to shareholders.⁴ In our view, a strong board gives a company a competitive advantage, providing valuable oversight and contributing to the most important management decisions that support long-term financial performance.⁵</p> <p>Without more fulsome insight into this topic, investors are lacking a fundamental governance component integral to long-term shareholder value. For this reason, BIS determined that a vote against the Board Discharge proposal was appropriate.</p>

1. Eregli Demir ve Celik Fabrikalari TAS, “2023 Integrated Annual Report”, 2023. 2. Eregli Demir ve Celik Fabrikalari TAS, “2023 Integrated Annual Report”, 2023. 3. Based on the information available in the 2023 integrated annual report company’s presentation slides on “Towards the Net Zero Carbon Target” published in January 2024. 4. BlackRock Investment Stewardship (BIS) [Global Principles](#). 5. BlackRock Investment Stewardship (BIS), [Our approach to engagement on board quality and effectiveness](#).

Appendix – BIS Proposal Taxonomy

Management proposals

Auditor — proposals related to the appointment and compensation of external auditors serving corporations.

Board-related — a category of management-originated, board-related proposals (excluding director elections), pertaining to advisory board matters, alternate and deputy directors, board policies, board committees, board composition, among others.

Capital structure — generally involves authorizations for debt or equity issuances, dividends and buybacks, stock splits, and conversions of securities.

Climate and natural capital — includes management originated proposals related to environmental issues, such as proposals to approve a company’s climate action plan, commonly referred to as “Say on Climate.”

Company impacts on people — includes management originated proposals relating to a range of social issues such as corporate social responsibility, and diversity, equity, and inclusion.

Compensation — proposals concerning executive compensation policies and reports (including Say on Pay, Say on Pay Frequency, and approving individual grants), director compensation, equity compensation plans, and golden parachutes.

Director election — a category of management-originated proposals which includes the election, discharge, and dismissal of directors.

Management proposals continued

Mutual funds — proposals related to investment management agreements and the structure of mutual funds.

Other — overs and assortment of common management-originated proposals, including formal approvals of reports, name changes, and technical bylaws, among many others.

Strategic transactions — Involves significant transactions requiring shareholder approval like divestment, mergers and acquisitions, and investment.

Takeover defense — proposals concerning shareholder rights, the adoption of “poison pills,” and thresholds for approval, among others.

Shareholder proposals

Board-related — a category of shareholder-originated, board-related proposals (excluding director elections) pertaining to advisory board matters, alternate and deputy directors, board policies, board committees, board composition, among others.

Climate and natural capital — covers shareholder-originated proposals relating to reports on climate risk, emissions, natural capital, and sustainability, among others.

Company impacts on people — includes shareholder-originated proposals relating to a range of social issues such as reports on diversity, equity, and inclusion, human capital management, and human rights, among others.

Shareholder proposals continued

Director-election — a category of shareholder-originated proposals which includes the election, discharge, and dismissal of directors.

Governance— generally involves key corporate governance matters affecting shareholder rights, including governance mechanisms and related article/bylaw amendments, as well as proposals on compensation.

Other — includes non-routine procedural items and other voting matters.

This report is provided for information and educational purposes only. Investing involves risk, including the loss of principal

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