

Response from BlackRock

30th October 2019

The Business & Human Rights Resource Centre invited BlackRock to respond to allegations of complicity in deforestation in the Amazon in Brazil.

- [“BlackRock in Amazon: 'World's largest investor in deforestation’”](#), 30th August 2019, Al Jazeera

BlackRock sent the following statement:

Sound corporate governance practices, including how companies manage the material environmental and social factors inherent to their business models, have the potential to impact the long-term value of our clients’ assets. More than 90% of our equity holdings are held through index funds and ETFs – which are designed to track the investment results of third party indices – that our clients choose to invest in. Our obligation as an asset manager and a fiduciary is to manage our clients’ assets consistent with their investment priorities.

Absent the option to divest from these companies, we engage with them to evaluate how they manage the material sustainability-related risks and opportunities within their businesses, and encourage them to adopt the robust business practices consistent with sustainable long-term performance. BlackRock’s Investment Stewardship team engaged 256 companies globally this past year on environmental risks and opportunities, spanning topics from the robustness of board oversight, ESG disclosure frameworks, climate risk management, environmental impact management (e.g., Deforestation), and operational sustainability (e.g., waste, water, energy efficiency, packaging). Where we have concerns that are not addressed by these conversations, we stand ready to vote against proposals from management, such as against relevant directors on the board.